# Calendar No. 802

97TH CONGRESS } SENATE { REPORT
*2d Session* } { No. 97-547

# TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATION BILL, 1983

SEPTEMBER 16 (legislative day, SEPTEMBER 8), 1982.—Ordered to be printed.

Mr. ABDNOR, from the Committee on Appropriations, submitted the following

# REPORT

[To accompany S. 2916]

The Committee on Appropriations reports the following bill (S. 2916) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1983, and for other purposes, and presents herewith information relative to the bill.

| | |
|---|---|
| Amount of bill as passed by House | $10,771,848,000 |
| Amount of decrease by Senate | −244,490,000 |
| Amount of bill as reported to the Senate | 10,527,358,000 |
| The bill as reported to the Senate: | |
| Over the appropriations provided in 1982 | +331,701,401 |
| Over the estimates for 1983 | +39,544,000 |
| Under the House bill | −244,490,000 |

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### TIMING OF THE BILL

Traditionally, the Senate awaits House initiation and passage of appropriation bills before acting on them in Committee. This session, however, a combination of circumstances forced the Committee to begin its markup of a bill in advance of final House action. With time running out on the 1982 session, the Committee felt impelled to begin its own markup even before final House action was completed. Accordingly, overall House allowances in the report are based on Committee recommendations in that body, not final allowances.

## GENERAL STATEMENT AND SUMMARY OF THE BILL

The accompanying bill contains recommendations for new budget (obligational) authority for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies.

The Committee considered budget estimates for fiscal year 1983 in the gross amount of $10,487,814,000 included in the President's amended budget request. Compared to that amount the accompanying bill recommends new budget authority totaling $10,527,358,000, which is $39,544,000 more than the amount requested by the administration.

### REPROGRAMINGS

The departments and agencies funded by this act are directed to comply with the reprograming guidance printed below.

The guidance applies to those actions which represent a significant shift in program direction resulting in changes in the distribution of resources as presented to and approved by the Congress. Effective with the date of enactment of this bill the approval of the House and Senate

Committees on Appropriations shall be required for any such action when the amount involved is in excess of $500,000, or 10 percent, whichever is greater, in any object class, budget activity, program line, or program activity. Lesser amounts will also require reprograming approval if it is clear that such an action would result in a major change contrary to the program presented to and approved by the Congress or if the cumulative effect of past reprograming actions and a specific new action under consideration would have the effect of exceeding the dollar limitation discussed above.

Requests for approval of reprogramings will be submitted to the Office of Management and Budget and the Appropriations Committees but no action shall be taken by the agency until the request has been approved by both the House and Senate Committees on Appropriations.

These instructions apply only to funds included in appropriations accounts and the Federal Buildings Fund. It excludes revolving funds since revolving fund programs are generally based on demands from external sources and changes to them do not represent a conscious change in program emphasis—the basic reason for requesting approval for reprograming.

The justifications for proposed reprograming actions need to be clear and as strongly supportive as the original budget request. Except in extraordinary circumstances reprograming proposals will not be accepted with less than 45 days left in the fiscal year nor will they be accepted for actions to reverse previous congressional actions.

## TRANSFER OF FUNDS BETWEEN APPROPRIATION ACCOUNTS

The administration has requested limited authority for the Secretary of the Treasury and the Administrator of the General Services Administration to transfer funds between appropriation accounts. For the Secretary of the Treasury, 5 percent transfer authority is being requested, while the Administrator of GSA is requesting authority to transfer up to 3 percent between appropriation accounts.

The Committee has denied the request of the Department that they be granted authority to transfer up to 5 percent between appropriations accounts. Although the Committee can certainly envision those rare occasions when circumstances may dictate the need to shift funds between accounts, it does not believe that such authority is warranted in the case of the Department. The Committee has recommended that the Administrator of the General Services Administration be allowed to transfer up to 1 percent between appropriation accounts during fiscal year 1983, but, again, only in emergency situations when the need for such transfer is unforeseen and absolutely critical to the mission supported by the affected appropriation account, and only after the Administrator has received the express approval of both the House and Senate Committees on Appropriations.

The Committee is concerned that in the past even such limited transfer authority has been abused and often used by the agencies for reorganizations that have major policy implications. Such transfers are interpreted by the Committee as circumventing the appropriations process and will not be tolerated in the future. Nevertheless, the Committee acknowledges that circumstances do arise during the course of a year whereby a shift of small amounts of money from one account to another at GSA could make a significant difference in the agency's ability to address unforeseen contingencies. Therefore, the Committee has granted limited transfer authority to the GSA for fiscal year 1983 as outlined above.

## TOTAL FUNDING FOR TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT PROGRAMS

In addition to the new obligational authority recommended in the accompanying bill, additional significant sums are made available each year for these same agencies under permanent authority which do not require consideration by the Congress during the annual appropriations process. The principal items in this category include payment of interest on the public debt which alone is anticipated to reach $133,229,000,000 for fiscal year 1983; interest on Internal Revenue Service refunds of income tax payments; payment of some claims and judgments; payments in connection with the civil service retirement and disability fund; and payment to Puerto Rico for internal revenue and customs collections.

The amounts recommended in the accompanying bill—in the form of new obligational authority—together with the funds provided under the permanent authority referred to above will provide approximately $194 billion during fiscal year 1983 for the agencies and activities under the general heading of this bill.

In addition to the agencies whose funds are derived from direct appropriations, there are other agencies that operate under authorities which exempt them from congressional review, in whole or in part, during the annual appropriations process or, as a matter of fact, from any other regular oversight by the Congress. For example, the U.S. Postal Service, under the Postal Reorganization Act, is authorized to use all of its income from postage and services for its own purposes and to request an appropriation from the Congress for certain subsidies. Therefore, only the amount of the subsidy requirement is regularly reviewed by the Congress. In the Treasury Department, the Office of the Comptroller of the Currency, whose income is derived principally from assessments paid by national banks, is exempt from congressional review, because such assessments are not construed under law to be Government funds.

## ROLLCALL VOTES IN COMMITTEE

There was one rollcall vote during Committee markup. By a vote of 6 to 10, an amendment providing clarification of a tax provision regarding construction workers was defeated.

## WASTE, FRAUD, ABUSE, AND ERROR

### LIMITATION ON REDECORATING, REMODELING, AND FURNISHING OF OFFICES

The Committee has included a general provision in title VI of the bill which would require all agency and department heads of Government to clear through the House and Senate Committees on Appropriations, any redecorating, remodeling, renovation, or furnishing project costing in excess of $5,000. Approval by both Committees would be required before such project could be initiated by the agency or department.

The Committee notes that during the current fiscal year, three major redecorating or refurnishing projects have occurred which prompted the inclusion of the restrictions on such activity in this bill. In May 1982, it was revealed that the Administrator of the Veterans Administration had spent over $50,000 on redecorating his office, including the expenditure of $8,477 for a private bathroom and shower in his personal office; refinishing the floors of his office at a cost of over $3,000 and then deciding to cover these same floors with carpet; wallpapering his walls at a cost of over $6,000; spending over $3,500 for a new chair; and other costly items. During hearings before the Treasury, Postal Service, and General Government Subcommittee, it was revealed that the Federal Labor Relations Authority members had spent over $150,000 to purchase expensive desks, credenzas, and even patio furniture for three offices at a time when their own storerooms were full of new furniture. Then just 1 month ago, it was revealed that the Commissioner of IRS and his Chief Counsel planned to spend $85,000 to renovate their offices, including $5,650 to replace chairs with 10 mahogany and leather armchairs; $5,617 for new carpeting; $1,966 for a new conference table; $4,015 for an additional door for his Secretary; and $20,000 to install a new and expanded kitchen in the Office of the Commissioner. A provision in the Supplemental Appropriation bill 1982 stopped this particular project at IRS.

Although the Committee acknowledges that this wasteful practice very well might be confined to a few agencies, it believes that the general provision in the bill is essential if we are to address these redecorating projects and their cost to the taxpayers before, rather than after, the fact. By forcing each agency or department head to fully justify expenditures for redecoration in excess of $5,000, the Committee will have an opportunity to review each project and determine whether or not the taxpayers' money is being well-spent for these purposes. In a year of high budget deficits and rigid fiscal restraints imposed on numerous worthwhile programs, the Committee believes that the language in the bill will serve to halt the extravagances that have occurred during the past year and prevent them from happening in the future.

### IMPROVEMENT OF THE MANAGEMENT OF THE FEDERAL MOTOR VEHICLE FLEET

A March 1982 study by the General Services Administration (GSA), prepared at the request of the ranking minority member of the Treasury, Postal Service, and General Government Subcommittee, revealed that the cost to own, operate, and maintain the Federal Government's motor vehicle fleet exceeds $1,100,000,000 a year—an increase of $959,000,000, or 680 percent, since 1954 and an increase of $724,000,000, or 192 percent, in just the last 10 years.

The study also showed that the number of nontactical motor vehicles used by the Government has doubled since 1954 and now totals 445,000. This increase is even more significant in that the Defense Department—the largest owner and user of motor vehicles—has actually reduced its fleet by 48,690 over the past 10 years. The study also showed that mismanagement of motor vehicle fleets by some agencies has increased the cost of the Federal fleet and led to inefficiencies and waste.

The Committee believes that immediate action is needed by the executive branch to initiate a multiyear effort to substantially reduce the cost of operating and maintaining the Federal motor vehicle fleet and to improve the operation and management of motor vehicle fleets by all Government agencies. Therefore, the Committee has included a general provision in title VI of the bill that would direct the Director of the Office of Management and Budget and the Administrator of the General Services Administration to require all executive branch agencies and departments to bring their motor vehicle operations under control and make substantial economies in the coming fiscal year. Specifically, the language in the bill does the following:

1. Instructs the Director of the Office of Management and Budget to direct each agency head to establish a central monitoring system for the oversight of agency motor vehicle operations and related activities.

2. Instructs the Director of OMB to require each agency head to develop a system to identify, collect, and analyze data with respect to all costs incurred by the agency in operating motor vehicles, including Government-owned vehicles, leased vehicles, and privately owned vehicles used for official purposes, and to promulgate standards for the agencies to follow in establishing and identifying the costs associated with the Federal fleet.

3. Directs the heads of all executive branch agencies to tell the Congress in their annual budget justifications the amounts spent or requested for motor vehicle acquisition, maintenance, leasing, and operations, and to justify why the existing and new motor vehicle operations requirements of the agency cannot be met by using the GSA motor pool system.

4. Directs the President to include in his annual Budget of the United States a compilation of the agency reports on their motor vehicle operating costs.

5. Directs the Director of OMB to require the head of each agency to identify opportunities for consolidating intraagency motor vehicle facilities where shown to be cost effective, and to report to OMB on any possible impediments to such consolidations.

6. Instructs the OMB Director, in cooperation with GSA, to require each agency to identify opportunities for consolidation of motor vehicle administration and maintenance between executive agencies of the Government where shown to be cost effective.

7. Directs the head of GSA to take steps necessary to reduce motor vehicle storage and disposal costs and to improve the rate of return on motor vehicle sales through better reconditioning of vehicles on sale.

8. Requires the Director of OMB and the head of GSA to instruct agencies to explore the feasibility of consolidating agency motor vehicle leasing arrangements with the motor vehicle leasing arrangements of other executive agencies in order to save money.

9. Directs the OMB Director to reduce the cost of operating and maintaining the Federal motor vehicle fleet Government-wide by $150,000,000 in fiscal 1983.

10. Directs OMB, GSA, and GAO to make various reports to the Congress on the implementation of the provisions and directives made in this legislation.

The Committee expects the OMB and GSA to fully comply with these directives and to report to the Committee on a periodic basis regarding their progress in improving the operation of the Federal motor vehicle fleet.

## REDUCTION IN GOVERNMENT-WIDE SPENDING FOR CONSULTANT SERVICES

The Committee has included a general provision in title VI of the bill that would reduce the Government-wide level of spending for consulting and related services in fiscal year 1983 by $320,000,000.

A study prepared by the Office of Management and Budget at the request of the Committee, dated March 30, 1982, revealed that the Federal agencies actually spent $3,700,000,000 on consultant services in fiscal year 1981—$2,100,000,000 more than the collective Federal agencies told OMB that they spent in that year. In other words, agencies spent 130 percent more on consultants than their reports to OMB showed they spent. The Committee understands that the discrepancy between the agency reports and actual consultant service spending are being studied. The Committee believes that this discrepancy is particularly alarming in view of the fact that, perhaps for the first time, all agencies and the Office of Management and Budget are using the same definition of what constitutes consulting services.

The report to the Committee showed that the agencies and departments will spend $1,609,100,000 in fiscal year 1983—an increase of approximately $135,000,000 over the current estimates for fiscal 1982 consultant spending. The Committee believes, that in view of the fiscal year 1981 consultant service expenditure experience by agencies, the total amount spent on consultants next year could climb to levels in excess of the $1,600,000,000 estimated by OMB.

The use of consultants by agencies has grown in large part because of the administration's efforts in recent years to reduce the size of the Federal work force and consultants have taken on an increasing role in agency programs, policies, and activities. The Committee is concerned over evidence that consultants are used by agencies, in some cases, to actually establish agency policy, establish program priorities, and even help write agency regulations—functions normally handled by full-time permanent Federal employees.

At the same time, the Committee applauds the efforts of the administration to attempt to slow the growth of consultant services and believes that the provision contained in this bill will serve the administration well in bringing this billion dollar problem under control. Therefore, the Committee has reduced the total amount to be spent for Government consultant services in fiscal year 1983 by $320,000,000. The Office of Management and Budget should report to the Committee in conjunction with its regular annual report on administrative expenses mentioned below, regarding the application of the proposed reduction to individual agency budgets. Furthermore, in applying this reduction to the budgets of all Government agencies and departments, the Office of Management and Budget should continue to use the definitions established at the time the Federal agencies prepared their fiscal year 1983 budgets for submission to OMB.

### PROHIBITION ON THE USE OF CHAUFFEURED VEHICLES TO TRANSPORT FEDERAL OFFICIALS BETWEEN HOME AND PLACE OF EMPLOYMENT

The Committee has included a general provision in title VI of the bill that prohibits the use of funds to chauffeur executive branch employees between home and work unless they are Cabinet officers or principal diplomatic and consular officials, or unless an absolute emergency necessitates the transportation of executive branch personnel between home and work.

The Committee notes that current law (31 U.S.C. 638(a)) makes it clear that Federal workers are not to be driven from home to work and back again. However, evidence shows that this law is not obeyed by a substantial number of high-ranking officials at many Federal agencies and departments. For example, the Committee has learned that 12 Department of Defense employees, 5 State Department executives, and 3 Department of Transportation officials are currently being driven to and from home by a Government driver. Among officials covered by funding in this particular bill, the Deputy Director of the Office of Management and Budget has traditionally been driven from home to work as has the Deputy Secretary of the Treasury.

Therefore, the Committee believes that a restriction as proposed in this bill is necessary to reinforce current law and limit the use of funds to drive Federal officials between home and work. At the same time, the Committee can envision emergency circumstances requiring that a key official be picked up and driven from his home to work. It is not the Committee's intent to prohibit transportation that is considered to be absolutely critical and where the use of a driver is essential. However, the Committee would expect such emergencies to be the exception to the rule and only occur on rare occasions, at most two or three times in the course of a year.

The Committee expects the Office of Management and Budget to monitor compliance with this general provision and to report to the Committee on a quarterly basis on those instances involving the use of Government drivers under emergency circumstances.

## OMB REPORT ON ADMINISTRATIVE EXPENSES

In Senate Report 97-192, September 22, 1982, the Committee expressed its deep concern over the problems of fraud, abuse, waste, and error in the Federal Government and pledged its support to the administration's efforts to ferret out wasteful expenditures in Government. Among the administrative expenses singled out for special concern and attention by the Committee were Federal expenditures for travel; consultant services; audiovisual/filmmaking; public affairs, public information and advertising; and debt collection. The Committee directed the Office of Management and Budget to report to the Committee regarding the level of funding for these categories of administrative expenses for each department, agency, and instrumentality of the executive branch of government for 3 fiscal years. The Committee also directed the head of each agency to provide in detail in individual agency budget justifications, both tables and narrative showing the amounts reported to the Congress in each of the categories outlined above.

On March 30, 1982, OMB filed its report with the Committee. The data contained in the report confirmed a number of the concerns of the Committee that the Federal Government is spending far too much on consultants, periodicals, pamphlets, and audiovisual products, while the amount of outstanding debt owed the Federal Government has reached unacceptable levels.

The report revealed that total net debt owed the Government (total receivables less collections) will soar to $42,235,600,000 in fiscal year 1983—an increase of $4,800,000,000 over fiscal year 1982. Net debt owed the Government at the Treasury Department alone will total over $29,700,000,000 next year.

The report also showed that over $216,000,000 will be spent in fiscal year 1983 on periodicals, pamphlets, and audiovisual products, with the Defense Department spending over $84,000,000.

Finally, the report showed that a staggering $1,609,100,000 will be spent in fiscal year 1983 on consulting and related services, with Defense ($893,800,000) and the Department of Health and Human Services ($189,400,000) the frontrunners in consultant expenditures next year.

## COMMITTEE RECOMMENDATION

The Committee believes that the report provided by OMB has been extremely useful in finally allowing the Congress to receive a detailed estimate of what the major agencies and departments of Government are actually spending or budgeting for these administrative expenses. Therefore, the Committee directs the Office of Management and Budget to continue making an annual report to the Committee on Administrative Expenses in fiscal 1983.

Although the Committee is pleased with OMB's response to its mandate of last year to report on these expenditures, it is disappointed in the response of individual agencies to report on these expenditures in their respective annual budgets. Therefore, the Committee directs OMB to require each agency to include in clear, specific, detailed, unmistakable language and tabular presentation, the amount of their budgets for fiscal years 1981, 1982, 1983, and 1984 in each of the administrative expenses categories outlined in the March 30 report. These detailed breakouts of these administrative expenses should be shown in each and every agency budget justification that will be submitted to the Congress for review in conjunction with the President's fiscal year 1984 budget submission.

OMB should make its report to the Committee by no later than April 15, 1983.

# TITLE I—DEPARTMENT OF THE TREASURY

## OFFICE OF THE SECRETARY

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $35,393,840 |
| 1983 budget estimate | [1] 37,383,000 |
| House allowance | 37,000,000 |
| Committee recommendation | 37,000,000 |

[1] Does not include $22,369,000 requested for international affairs, which is broken out as a separate account in the bill.

The Committee recommends an appropriation of $37,000,000 for salaries and expenses for the Office of the Secretary. This amount is $383,000 below the level of funding recommended by the President for Office of the Secretary activities. The Committee has concurred with the House in separating appropriations for the Office of the Secretary from those for the international affairs function, rather than combine these two accounts under one account, "Office of the Secretary," as proposed by the administration.

The functions of the Office of the Secretary are in support of and necessitated by the responsibilities of the Secretary of the Treasury as a major policy adviser to the President and executive director of the Department. The Secretary has primary responsibility for: Formulating and recommending domestic and international financial policy and tax policy; participating in the formulation of broad fiscal policies that have general significance for the economy; and managing the public debt. The Secretary also oversees the activities of the Department in carrying out its major law enforcement responsibilities, in serving as the financial agent for the U.S. Government, in manufacturing coins and currency, and in managing the operation and maintenance of the main Treasury and annex buildings.

The Committee notes that the Department has requested $2,213,000 to restore funding to the budget base for both the Office of the Secretary and international affairs accounts that has been excluded in fiscal year 1982 due to the limitations on the continuing resolution, 1982 (Public Law 97–161). Of this amount, $1,394,000 would be used to restore the Office of the Secretary account reductions mandated by the provisions of the continuing resolution. Although the Committee is sympathetic to the effects the fiscal 1982 continuing resolution cutbacks have had on the Office of the Secretary, it does not believe that this particular account in Treasury nor the international affairs activity should be singled out for special restoration relief in fiscal year 1983. The Committee notes that in only two other accounts in the Treasury portion of this bill is restoration of the fiscal year 1982 program reductions being sought. Therefore, the Committee recommends that a portion of the reduction below the budget request be applied to this restoration request.

The Committee notes that an increase of $65,000 is being sought for travel under the secretarial policy and program development activity within the Office of the Secretary. The Committee recommends that at least $30,000 of the proposed reduction below the budget request be absorbed through a reduction in secretarial policy and program development travel in fiscal year 1983.

The Committee also notes that an increase of approximately $1,700,000 or 12 percent is being sought by the Department for departmental policy and administrative services in fiscal year 1983. At the same time, aside from major personnel increases in the Internal Revenue Service portion of the Treasury budget, overall Treasury employment is scheduled to be sharply reduced below fiscal year 1982 levels. A major role of the departmental policy and administrative services division is to oversee Treasury personnel matters, administer personnel management, and perform program and management analysis. Therefore, the Committee believes that in view of the sharp personnel cutbacks targeted for most Treasury entities other than the Internal Revenue Service, this function within the Office of the Secretary should be able to operate with an appropriation more in line with fiscal year 1982 levels. The Committee recommends that a portion of the reduction below the budget request be applied to departmental policy and administrative services activities in fiscal year 1983.

The Committee also believes that a portion of the proposed reduction below the budget for the Office of the Secretary could be absorbed through cutbacks in the salaries, overtime, and other expenses paid to motor vehicle operators who are assigned to top Treasury officials. A General Accounting Office report on July 14, 1982 indicated that in 1981 a total of $137,273 was spent by the Department on salaries and overtime for five motor vehicle operators who were assigned primarily to the Secretary, the Deputy Secretary, the Under Secretary for Monetary Affairs, the Under Secretary for Tax and Economic Policy, and the Assistant Secretary for Legislative Affairs. Excluding the Secretary of the Treasury, who is entitled to a driver by law, $104,072 was spent for motor vehicle operators for four top Treasury officials. The Under Secretary for Tax and Economic Policy's motor vehicle operator, for example, made a total of $35,356 in salary and overtime in 1981—over $2,100 more than the driver assigned to the Secretary in 1981. The GAO report also indicated that, at times, the Deputy Secretary of the Treasury was driven to and from his home to work, which is a direct violation of the law. Current law provides authority only for a Cabinet officer to be driven to and from home to work with exceptions made for medical doctors, diplomats, or top officials on field duty.

Therefore, the Committee suggests that the Secretary of the Treasury make reductions in the cost of motor vehicle operators' salaries and expenses in fiscal year 1983 and to absorb a portion of the Committee's recommended cutbacks in this activity. The Committee believes, for example, that a 40-percent reduction in the amount of overtime paid to motor vehicle operators could result in savings of $15,000.

The balance of the proposed reduction below the budget estimate for Office of the Secretary activities should be applied to lower priority activities to be determined at the discretion of the Secretary.

### DUPLICATE AND FORGED GOVERNMENT CHECKS

The Committee notes that an October 1981 General Accounting Office study of the Department's accounting procedures for duplicate payments and payments on forged checks revealed that the Department is not meeting all legal requirements in accounting for and recovering such payments. This has apparently resulted in funds being disbursed without congressional approval and amounts due the Government are not recovered promptly. The GAO study showed that contrary to legal requirements the Treasury has paid both original and substitute checks in many cases; that second payments involving original and substitute checks were not charged to appropriations; that replacement checks for forgeries were not charged to the special forgery fund established by Congress for this purpose; that the Treasury was not acting promptly and effectively to enable recovery of all receivables; and that the exact amount of receivables and losses resulting from the duplicate payment and check forgeries was not known because of inadequate accounting procedures and controls. The GAO estimated that gross receivables resulting from duplicate payments and check forgeries as of January 1981 was nearly $93,000,000.

Therefore, although the Committee acknowledges that the Department has taken some measures to address this matter, it directs the Secretary to adopt the recommendations of the GAO and double its efforts to bring this serious problem under control in fiscal year 1983.

### INTERNATIONAL AFFAIRS

| | |
|---|---|
| 1982 appropriation to date | $20,335,040 |
| 1983 budget estimate | [1] 22,369,000 |
| House allowance | 22,000,000 |
| Committee recommendation | 20,000,000 |

[1] Does not include $37,383,000 requested for Office of the Secretary, which is broken out as a separate account in the bill.

The Committee recommends an appropriation of $20,000,000 for international affairs activities in fiscal year 1983, which is $2,369,000 below the budget request. The Committee has concurred with the House in considering the international affairs activity as a separate account in the bill.

The international affairs programs involve the formulation and execution of Treasury policy in a wide range of important economic areas. Major program concerns include maintenance of liaison with international organizations and foreign governments in matters of common economic concern; investment of Exchange Stabilization Fund reserves and sales and purchases of foreign currency for the purpose of stabilizing exchange markets; projection and interpretation of international economic trends; formulation and execution of economic policy decisions regarding developing nations; development of U.S. policy regarding international financial institutions; assisting in economic aspects of programs funded jointly by the United States and Saudi Arabian Governments; and a variety of other programs.

The Committee has recommended that the international affairs activities be funded at essentially fiscal year 1982 levels in fiscal year 1983. Although the Committee recognizes the growing importance of the Secretary's international economic responsibilities in the volatile international economic environment, it believes that the amount proposed in the bill will be adequate for the Secretary to meet all of his international financial responsibilities in the coming year. If the Secretary finds that additional emergency resources are required above and beyond those resources provided in this bill, the Committee would welcome receipt of an emergency supplemental budget request from the administration to address those unforeseen contingencies that might arise.

Finally, the Committee has recommended that the $80,000 requested for representation allowances for the international affairs activity be reduced to $60,000 next year. This reduction would bring the amount for official reception and representation expenses more in line with the amount provided for the Vice President of the United States under the account entitled "Official Residence of the Vice President" in this bill. The Committee does not believe that the representation expense requirements of the international affairs activity should exceed those of the Vice President in fiscal 1983.

## FEDERAL LAW ENFORCEMENT TRAINING CENTER

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $12,318,360 |
| 1983 budget estimate | 12,913,000 |
| House allowance | 12,500,000 |
| Committee recommendation | 12,913,000 |

The Committee concurs with the House in recommending an appropriation of $12,913,000 for the Federal Law Enforcement Training Center. This amount is identical to the budget estimate.

The Federal Law Enforcement Training Center provides the necessary facilities, equipment, and support services for conducting basic and advanced, in-service, refresher, and specialized (AIRS) training for law enforcement personnel of the participating organizations. Center personnel conduct the instructional programs for the basic recruit training and also selected portions of the advanced training. In addition, the Center furnishes training on a space-available basis to personnel from several Federal organizations which are not formal participants in ongoing training activities.

The level of funding recommended by the Committee will provide travel funding for 2,370 students and 14,300 student-weeks of training in the basic training programs. In addition, on a reimbursable basis, the Center projects training for 10,328 students representing 34,674 student-weeks of training and an average resident student population of 667.

## BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $232,106,919 |
| 1983 budget estimate | 183,267,000 |
| House allowance | 248,000,000 |
| Committee recommendation | 180,096,000 |

The Committee recommends an appropriation of $180,096,000 for salaries and expenses of the Bureau of Government Financial Operations. This amount is $3,171,000 less than the budget estimate.

The Bureau of Government Financial Operations provides central payment services for all civilian executive agencies, except the U.S. Postal Service, U.S. marshals, and certain Government corporations, processes claims on lost, stolen, and forged checks, provides accounting services for the Government, including maintenance of the central accounts concerning appropriations, receipts, and expenditures for the Government as a whole, provides checking account facilities to Government disbursing officers for the purpose of drawing checks on the U.S. Treasury, compiles and publishes financial reports, and performs other unique central fiscal operations. The Bureau's financial requirements to carry out these programs are subject almost entirely to program increases generated by other agencies and the Congress.

The reduction below the level of funding recommended by the House is due almost entirely to the Committee's decision to include language in the bill to transfer funding for issuance of social security payments and related costs from direct appropriation to reimbursement. In the past, the Bureau of Government Financial Operations' salaries and expenses appropriation has borne the cost of issuing, paying, reconciling, and handling claims upon Social Security Administration payments. The social security trust funds would then reimburse the general fund of the Treasury for these payment services as provided in 41 United States Code 501(g)(1)(A(i). However, for fiscal year 1983, the Committee has concurred with the administration in recommending language in the bill that would allow the reimbursement to be paid by the social security trust funds directly to the Bureau of Government Financial Operations' salaries and expenses appropriation account. A savings of $68,900,000 in new budget authority will be realized in fiscal year 1983 as a result of this action by the Committee. The resultant outlays will not be affected by the direct payment of these costs by the social security trust funds to the Bureau's salaries and expenses account.

## BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $142,164,080 |
| 1983 budget estimate | |
| House allowance | 145,000,000 |
| Committee recommendation | 148,000,000 |

The Committee recommends an appropriation of $148,000,000 for the salaries and expenses of the Bureau of Alcohol, Tobacco and Firearms for fiscal year 1983. The administration continues to support the elimination of the Bureau and the consolidation of its major functions into other Treasury Department agencies. Therefore, the administration has not requested any new fiscal 1983 funding to allow the Bureau to exist as a separate Treasury entity.

The responsibility of the Bureau of Alcohol, Tobacco and Firearms (ATF) is to: (1) Reduce the misuse of firearms and the misuse and unsafe or insecure storage of explosives and assist other Federal, State, and local law enforcement organizations in reducing crime and violence in which firearms and explosives are used, through the effective enforcement of the firearms and explosives laws of the United States; (2) insure that all revenue due under the alcohol and tobacco tax statutes is collected, and obtain, to the maximum extent possible, voluntary compliance with those laws; (3) suppress illicit manufacture and sale of non-tax-paid alcoholic beverages; (4) suppress commercial bribery, consumer deception, and other improper trade practices in the alcoholic beverage industry through the effective administration and enforcement of the Federal Alcohol Administration (FAA) Act; (5) eliminate trafficking of contraband cigarettes; and (6) administer research and development to improve technology as a means of combating the use of explosives in crime.

The appropriation recommended by the Committee and passed by the House will continue the effort initiated in the Urgent Supplemental Appropriations bill (Public Law 97–216) to restore the Bureau of Alcohol, Tobacco and Firearms to a level of funding necessary to establish BATF as a viable law enforcement agency in the Treasury Department. The $148,000,000 proposed by the Committee would allow the Bureau to fill approximately 325 permanent full-time positions currently left vacant through the abnormal attrition which occurred during the past year of uncertainty over the future of the Bureau. Current full-time permanent employment at the Bureau is approximately 2,625. The level of funding proposed by the Committee would allow the Bureau to reach an employment level of approximately 2,950.

## REORGANIZATION OF THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS—FISCAL YEAR 1983

On November 12, 1981, the Department of the Treasury indicated to the Committee its intention to transfer the functions and personnel of the Bureau of Alcohol, Tobacco and Firearms to the U.S. Secret Service and the U.S. Customs Service. Specifically, the firearms and explosives enforcement functions and personnel would have been transferred to the Secret Service; the alcohol and tobacco revenue collection and regulatory functions and personnel would have been transferred to the Customs Service; and enforcement of the Federal Alcohol Administration Act (FAA Act) would have been sharply reduced. The proposed reorganization was targeted for initiation in fiscal year 1982 with full implementation and abolition of BATF occurring in fiscal year 1983.

Because of deep concerns in the Congress regarding the shift of certain functions from BATF to the Customs Service and the Secret Service, and the failure of the Department to carefully assess the residual impact of such a major reorganization on these agencies and their basic missions, Congress adopted language in the Urgent Supplemental Appropriations bill (Public Law 97–216) that would prohibit the implementation of the proposed reorganization in fiscal year 1982 and would require the express approval of the House and Senate Committees on Appropriations before implementation of such reorganization could take place in subsequent fiscal years.

The Committee is deeply concerned to learn that following the passage of the Urgent Supplemental Appropriations bill, efforts were allegedly underway within the Department to circumvent the mandate of the Congress that the reorganization of BATF be halted in fiscal 1982 and the out-years without Committee approval. Indications of reprograming plans, withholding of funds appropriated expressly for BATF in the urgent supplemental, hiring freezes, and other backdoor attempts to effect the reorganization without specific approval of the Committee, were brought to the attention of the Committee over the past few months. In order to make it absolutely clear that all of the funds appropriated in the Urgent Supplemental Appropriations bill be used for their intended purposes, the Committee was forced to include language in the Committee report (S. Rept. 97–402) accompanying the Supplemental Appropriations bill (H.R. 6863) that would prohibit the use of these funds for any purpose other than to revitalize the BATF in fiscal 1982.

The Committee believes that such resistance by the Department to carry out the statutory provisions mandated by Congress regarding this major reorganization only serves to hinder the prospects for Committee approval of a reorganization of BATF in fiscal year 1983. Furthermore, the Committee has learned that the Department has apparently refused to allow the Bureau to hire either temporary or permanent full-time personnel as was envisioned when the Committee directed the Treasury Department in the urgent supplemental bill to reestablish BATF as a "viable law enforcement agency." Again, the Committee views this recalcitrance by Treasury to implement the Committee's directive as one more signal of Treasury's unwillingness to accept the congressional mandate that BATF remain a separate, viable law enforcement agency at the Department.

Therefore, the Committee directs the Secretary of the Treasury to personally intervene and oversee the implementation of the congressional directive that BATF be revitalized and staffed at levels commensurate with a fully operational, effective Bureau of Alcohol, Tobacco and Firearms. The level of funding recommended by the Committee, in concurrence with the House, should provide the Secretary with the necessary resources to accomplish this directive. The Committee stands prepared to offer whatever assistance might be required in this regard. The Committee expects to receive periodic written reports from the Secretary in fiscal year 1983 on the progress of reestablishing the Bureau as a major law enforcement arm of the Treasury Department.

The Committee directs that within the $148,000,000 recommended by the Committee, $15,000,000 be earmarked by the Secretary and the Director of the Bureau of Alcohol, Tobacco and Firearms to fully implement the provisions of the Federal Alcohol Administration Act in fiscal year 1983. If the Secretary finds that the fiscal 1983 appropriation for BATF proves not to be adequate to cover the full cost of implementing this important act and the revitalization of other BATF programs, as mandated by the Committee, the Committee will give serious consideration to a request by the Department to exercise its transfer authority as granted in the administrative provisions of this bill.

### ARSON

Current data points to the grim reality that arson continues to be a rapidly growing and costly crime. While arson per se is not designated as a "Federal crime," ATF is in a unique position to combat certain types of arson crimes under the "explosives jurisdiction" mandated in title XI of the Organized Crime Control Act of 1970 and title II of the Gun Control Act of 1968. In defining the term "explosive" in title XI, Congress made clear its intent to cover every conceivable type of explosive material utilized by the criminal element to damage or destroy persons and/or property. ATF has the statutory jurisdiction and the responsibility to attack explosives-related arson crimes that warrant Federal attention or assistance. ATF has initiated a realistic approach to the fight against the arson crime problem by selectively focusing on the investigation of explosives-related arson-for-profit schemes directed toward commercial/industrial interstate activities, when the perpetrators of these crimes are suspected members of organized crime; white-collar criminals; members of organized arson rings; or other violent criminals. ATF's arson program further provides for investigative assistance to State and local authorities experiencing a significant arson problem, especially when the nature or magnitude of the problem exceeds their jurisdiction or resources. ATF has promoted and applied the task force approach to attack identified arson problems in specific areas. ATF has four national response teams located in the Midwest, Northeast, Southeast, and Western regions of the country. These teams have the capability of providing a 24-hour response to any location in the country to assist in the investigation of explosives-related incidents of extreme, major proportions. ATF agents have been commended by State and local law enforcement bodies, by major insurance companies, and by the Attorney General's Office for the vigor and selflessness with which they pursue arsonists. The public interest dictates continued progress in this area, and the Committee, therefore, urges full agent and support staffing for this program.

### REVENUE PROTECTION

On September 4, the President signed Public Law 97–248, which provides, in part, for temporarily doubling the excise tax on cigarettes. Public Law 97–248 also imposes a floor stocks tax equal to the excess of the new tax rates over the pre-1983 rates on certain cigarettes held for sale on January 1, 1983.

Assuring timely and accurate assessment and collection of this additional revenue, so important to our economic recovery, is primarily the responsibility of the regulatory arm of the Bureau of Alcohol, Tobacco and Firearms.

Therefore, the Committee emphasizes the importance of developing and retaining a full complement of highly trained, experienced inspectors and support in the BATF.

### COMMITTEE DIRECTIVE

The Department of the Treasury is reminded that there is not one penny in this or any other act to provide funds to abolish or otherwise interfere with the activities of ATF as an independent bureau.

### EXCISE TAX PAYMENTS

The Committee recommends in the bill that none of the funds made available to the Department of the Treasury by this act or any other act shall be used to implement changes shortening the time granted, or altering the mode of payments permitted, for payment of excise taxes by law or regulations in effect January 1, 1981.

## U.S. CUSTOMS SERVICE

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $527,183,000 |
| 1983 budget estimate | 530,524,000 |
| House allowance | 514,700,000 |
| Committee recommendation | 537,000,000 |

The Committee recommends an appropriation of $537,000,000 for the salaries and expenses of the U.S. Customs Service in fiscal year 1983. This amount is $6,476,000 over the budget estimate.

As the agency with the primary border enforcement responsibility and a major revenue producer, the U.S. Customs Service administers and enforces the Tariff Act of 1930 and some 400 other provisions of laws and regulations of 40 other Federal agencies which govern international traffic and trade. The multiencompassing aspects of this mission require the U.S. Customs Service to:

—Control, regulate, and facilitate the movement of carriers, persons, and commodities between the United States and other nations.

—Protect the American consumer and the environment against the introduction of hazardous and noxious products; and protect American industry and the American worker against unfair competition from foreign manufacturers.

—Assess, collect, and protect the revenue accruing to the United States from duties, taxes, and fees incident to international traffic and trade.

—Detect, interdict, and/or investigate: Smuggling and other illegal practices designed to gain illicit entry into the United States of prohibited articles, narcotics, drugs, and other contraband;

—Fraudulent activities calculated to avoid the payment of duties, taxes, and fees, or to evade the legal requirements of international traffic and trade;

—Illegal international trafficking in arms, munitions, and currency.

The level of funding recommended by the Committee for the U.S. Customs Service in fiscal year 1983 is predicated on the assumption that Customs will not be receiving $31,464,000 in funds proposed by the President to be shifted from the Bureau of Alcohol, Tobacco and Firearms to Customs as part of its planned reorganization of BATF. The Committee notes that in the Urgent Supplemental Appropriations bill (Public Law 97-216) the reorganization of BATF was prohibited, with any future reorganization subject to the express approval of both the House and Senate Committees on Appropriations. The appropriation recommended by the Committee for the Customs Service in fiscal year 1983 is based on the assumption that BATF's functions and resources will not be shifted into either Customs or the U.S. Secret Service, and that BATF will remain a separate, functioning Treasury agency. By deleting the $31,464,000 from the President's overall Customs budget request for fiscal 1983, the Committee has reduced the President's "baseline" Customs budget to a figure of $499,060,000.

The Committee has added $30,700,000 to the President's baseline Customs budget request to help restore 2,604 permanent full-time positions that the administration has proposed to be reduced through reductions in force (1,504 positions) a hiring freeze at Customs (800 positions), and by paying for 300 additional positions with user fee collections in fiscal 1983.

The following table indicates the reductions in personnel by category as recommended by the President:

| *Principal categories* | *Full-time permanent positions* |
|---|---|
| Inspectors | [1] −1,173 |
| Import specialists | −239 |
| Stenographers, typists, and secretaries | −123 |
| Other clerks | −110 |
| Custom aids | −153 |
| Verifiers | −14 |
| Custom patrol officers | −97 |
| Other regional and district employees | −365 |
| Custom agents | −35 |
| Other investigations employees | −12 |
| Management integrity employees | −38 |
| Regional counsel employees | −14 |
| Headquarters employees | −231 |
| Total | [1] −2,604 |

[1] This includes 300 positions to be funded through user fee charges totaling $6,000,000 in fiscal year 1983.

The Committee strongly believes that failure to restore these critical inspector, import specialist, patrol, and other important clerical, administrative, and support positions will cause serious setbacks to fundamental Customs programs, particularly, in the area of law enforcement, drug interdiction, and passenger facilitation. Failure to restore the positions proposed for reduction in fiscal year 1983 would mean fewer seizures of dangerous drugs at a time when the Nation is barely intercepting 7 percent of the foreign drug traffic, and when drug use and violent drug-related crime is on the rise. The personnel reductions proposed by the administration would severely affect the Nation's air and seaports of entry, and the effectiveness of Customs' enforcement of the Nation's laws designed to protect American industry and the American worker from unfair competition in such areas as steel, auto, and textiles. Specifically, such personnel cutbacks would virtually eliminate the warehouse program at Customs; force consolidation and reduction of the appraisement function, resulting in reduced revenue collection; delay seagoing vessel clearances; sharply reduce physical inspection of cargo; increase waiting periods for air freight and passenger clearance at ports of entry; reduce Customs' ability to enforce export control on high technology products; reduce protection against the drug trade and the introduction of plant and animal disease harmful to U.S. agriculture; and sharply reduce the effectiveness of steel trigger price mechanism (antidumping) and auto imports quota controls.

Therefore, the Committee has added $30,700,000 above the President's budget to make it possible to restore the full-time permanent work force to fiscal year 1982 levels in all principal categories of activity.

## PAYMENT OF 1911 OVERTIME

The Customs Service is currently operating under a provision which limits the amount of overtime payable to $20,000 per employee per year. For fiscal year 1983, the Committee concurred with the House in establishing an overtime cap of $25,000 with language granting authority to the Commissioner to exceed this limitation in extraordinary, specific, individual cases where a waiver of the ceiling is deemed to be essential to the Customs mission. The Committee expects the Commissioner to report to the Committee on a quarterly basis with a compilation of those instances where the overtime cap was exceeded, including a description of the mission involved that led to the waiver, and the amount of money, if any, that was saved by paying the extra overtime versus moving other Customs personnel to handle the assignment in question. The information on the following pages explains the conditions under which 1911 overtime is paid.

Customs overtime laws, 19 United States Code 261, 267, and 1451 and 49 United States Code 1741(e), are more commonly referred to as "1911 overtime" since the original overtime law was enacted on February 13, 1911. The laws require that Customs officers be paid extra compensation for services performed on Sundays and holidays, or outside regular hours of duty on weekdays. These same laws require that the Government be reimbursed for the cost of these services by the parties requesting them; except, pursuant to statutory amendments, when the services are performed in connection with highway, bridge, tunnel, and ferry operations at our borders with Canada and Mexico or at airports on Sundays and holidays during the hours of 8 a.m. and 5 p.m.

The following information explains the basic rates for the computation of 1911 overtime earnings on weekdays and Sundays and holidays. Also cited are specific examples of various types of assignments and the pay commensurate with those assignments. It should be pointed out that the payment of Customs overtime is based upon periods of time worked rather than hours worked and thus results in a more complex system of payment.

### WEEKDAYS (MONDAY THROUGH SATURDAY)

The rates are fixed at one-half day's pay (4 hours) for each 2-hour period or fraction thereof of at least 1 hour for overtime from 5 p.m. to 8 a.m. during the week; but cannot exceed 2½ day's pay for the full period, 5 p.m. to 8 a.m.

Examples:

1. If an importer requests the services of an employee to obtain (enter) his merchandise at 5 p.m. and the employee, whose regular tour of duty ends at 5 p.m., completes the assignment at 7 p.m., the employee will receive 4 hours (one-half day) pay for 2 hours of work.
2. If the same employee completes the assignment after 7 p.m. but before 8 p.m., the inspector will receive the same 4 hours pay for the more than 2 hours of work. The employee cannot be paid for the second period of work; that is, 7 p.m. to 9 p.m., until he has worked at least 1 hour into the period (to at least 8 p.m.).

The act also provides for what is commonly referred to as "call-back" compensation. This is paid, in addition to the hours worked, when a Customs officer has completed his normal tour of duty and is called back to work an overtime assignment. There are two methods of compensation.

One. An employee whose overtime begins before the expiration of the first 4 hours of the night is compensated from the beginning of the night to the conclusion of the service.

Example: If an employee whose regular tour of duty ends at 5 p.m. is called back for an overtime assignment to begin at 7 p.m., he will be paid as if he began the assignment at 5 p.m. Thus, if the 7 p.m. assignment ended at 9:30 p.m., the employee would receive 4 hours pay for the 2-hour period between 5 p.m. and 7 p.m. plus 4 hours pay for the 2½ hours actually worked in the period between 7 p.m. and 10 p.m.

Two. An employee whose overtime begins after the first 4 hours of the night or before the last 2 hours of the night is compensated for his assignment, plus 4 hours.

Example: If an employee whose regular tour of duty is between 8 a.m. and 5 p.m. is called back for an overtime assignment beginning at 3 a.m. and ending at 4:45 a.m., he will receive 4 hours pay for the period of work between 3 a.m. and 5 a.m., plus 8 hours pay (2 periods) for being called back.

## SUNDAYS AND HOLIDAYS

The rates are 2 days' pay for overtime services up to 8 hours within the 24 hours of a Sunday or holiday and one-half day's pay for each 2-hour period, or fraction thereof, of at least 1 hour of overtime beyond 8 hours. The total compensation during any Sunday or holiday cannot exceed 4½ days' pay.

Examples:

1. Almost 90 percent of the assignments at major airports and almost 100 percent of the assignments at land border ports on a Sunday or holiday are on a shift basis. In these situations, the employees are receiving 16 hours pay for 8 hours work.
2. Customs policy is to have the employees available for 8 hours from the start of their first assignment on a Sunday or holiday for any and all other assignments which may occur during the 8-hour period. If an employee is assigned to board a vessel at 6 a.m. on a Sunday and completes the assignment at 8 a.m., the employee receives 16 hours pay for 2 hours of work. If there are any other assignments between 8 a.m. (the end of the first assignment) and 2 p.m. (the end of the 8 hours), then the same employee will also be assigned to perform those duties with no additional compensation.
3. An employee who continues to work beyond an 8-hour tour on a Sunday or holiday is compensated at the same rate applicable at night on a weekday; for example, an employee who works between 8 a.m. and 6 p.m. on a Sunday would receive 16 hours of pay for the 8 hours between 8 a.m. and 4 p.m., plus 4 hours' pay for the 2-hour period 4 p.m. to 6 p.m.

## INSPECTIONAL PERSONNEL

The Committee is greatly concerned over the continuing reduction in Customs inspector staffing, particularly in view of the rapidly increasing volume of both international air passengers and cargo and the resultant congestion and excessive delays now being experienced at U.S. airports of entry. Recognizing the need to conserve both manpower and financial resources of the Customs Service, the Committee directs the Secretary of the Treasury to immediately implement the one-stop inspection system as recommended by the General Accounting Office in its Report No. B–114898 (Aug. 30, 1979). The system shall be implemented at all U.S. airports of entry and preclearance airports where the configuration of facilities permits. The Customs Service shall report to the Congress within 90 days after enactment of this bill the progress made in implementing this system.

## USER FEES

It is the intent of the Committee to defer the collection of Customs inspection and clearance user fees or charges on commercial aircraft until these and related issues are carefully analyzed and resolved by the Congress. For this reason, none of the funds appropriated in this bill shall be used to collect such fees and charges.

## ACCELERATED SPECIAL INSPECTION SYSTEM TEST

The Committee directs that the U.S. Customs Service continue the accelerated special inspection system test (ASIST) program at both Miami and Los Angeles International airports. This program has been widely acclaimed, including a supportive GAO study, and should not be abandoned without careful evaluation by the Congress. At the same time, the Customs Service should be encouraged to expand ASIST and other similar facilitation programs.

## AIR INTERDICTION PROGRAM

Responding to the high illegal profits from drug smuggling, well-organized crime families have secured the most up-to-date aircraft and other equipment to evade the air interdiction effort currently operated by the U.S. Customs Service. The Customs Service has estimated that there are approximately 7,000 illegal intrusions each year, and their air interdiction successes can be equated to only 1 percent of those illegal intrusions. The major problem faced by the Customs Service in increasing its effectiveness in this regard is their limited ability to detect targets. The Customs Service is not primarily impeded by a lack of aircraft, personnel, or funds for maintenance and operation, even though increases in these areas could be effectively used. The Committee highly commends the personnel of the Customs air program.

## INITIATION OF SECOND AIR INTERDICTION MODULE IN TUCSON, ARIZ.

The Committee recommends an appropriation of $5,000,000 and directs the Customs Service to begin the establishment of a second air interdiction module in Tucson, Ariz.

The Committee is cognizant of the fact that despite the proven vulnerability of the southeastern part of the country to drug smuggling by air, increasing evidence shows that the flow of illegal drugs is rapidly shifting to the southwestern portion of the United States. The Committee's increasing concern in this regard is reflected in its request for a threat analysis of the southwestern borders in the report accompanying the Supplemental Appropriation bill, 1982 (H.R. 6863, S. Rept. 97–516). The Committee also understands that the administration has given serious consideration to the establishment of a second air module in the Southwest, with Tucson a prime candidate for the base due to its climate and excellent existing facilities.

Furthermore, the success of the air interdiction module in Miami, Fla., has prompted increasing interest in establishing a second air module in the Southwest and other potentially vulnerable trouble spots along our borders.

Therefore, the Committee believes that it is important to begin the process of establishing a second air module at Davis Monthan Air Force Base in Tucson in fiscal year 1983. The $5,000,000 recommended in the bill for this purpose would help to provide equipment and air support to supplement the existing manpower and facilities in Tucson. The following table indicates how the $5,000,000 would be spent in fiscal year 1983:

*Air interdiction module, Tucson, Ariz., fiscal year 1983 funding*

| | |
|---|---|
| Customs high endurance surveillance system (CHESS) aircraft, formerly referred to as mini-AWACS. Includes the procurement of one turboprop aircraft and modifying it with F-16 radar and infrared detection system | $4,500,000 |
| Mini common digitizers, used to change normal radar signals into digital signals for transmission over telephone lines. Essential to full utilization of radar detection data | 250,000 |
| Low-flyer detection sensors (low-flyer sensor systems are designed to detect low flying aircraft (under 1,000 feet above the ground). This will be integrated with the overall detection net) | 250,000 |
| Total | 5,000,000 |

SPECIAL OPERATIONS FUND

The Committee has recommended, within the total appropriation, $2,240,000 to establish a special operations fund to be used by Customs for posse comitatus law enforcement operations with the Department of Defense and other law enforcement agencies in the Government. The funds recommended by the Committee would be used by the Service to participate in such joint operations and would give Customs the flexibility to be able to move quickly to take advantage of strike-force type opportunities to attack ariborne or seagoing drug smuggling attempts or other illegal activities that might occur on short notice. This special operations fund will allow the Customs Service to move in quickly into joint efforts with the Department of Defense and other law enforcement agencies without having to channel resources from regular, ongoing Customs Service programs and without having to disrupt normal Customs revenue gathering or law enforcement activities.

The Committee directs the Commissioner of Customs to make quarterly reports to the Committee on any obligations or expenditures made out of the special operations fund, including a description of Customs participation in any joint operations with the Defense Department or other law enforcement agencies.

The Committee has included language in the bill, directing the Secretary of the Treasury not to close the Phoenix, Ariz., air interdiction support base or any other air interdiction facility in Arizona, New Mexico, or Texas in fiscal year 1983. The Committee believes that it is crucial that these Southwestern air interdiction facilities remain open and operational in order to maintain their interdiction capabilities in a region of the country that is still extremely vulnerable to air border crossings by illegal drug and narcotics traffickers. Although the Committee is aware that the southeastern portion of the country is currently the most hard-pressed in the war against illegal entry of narcotics and other contraband, it is also cognizant that historically the narcotics traffic pendulum will soon swing back to the borders of the Southwest. These southwestern Customs facilities should be on alert and fully capable of responding to this shift as it occurs and should not be cut back by the administration. Therefore, the Committee has directed the Secretary of the Treasury and the Customs Service not to close these facilities or shift personnel from these bases to other parts of the United States. The Committee expects full compliance from the Secretary and the Customs Service in this regard.

### OPERATION EXODUS

The administration has not requested any additional funds for cotinuation of Operation Exodus—a proposed 3-year operation designed to halt the flow of illegal, militarily significant Western technology from the United States and other Western countries to the Soviet Union. A supplemental appropriation of $8,000,000 was provided in the Urgent Supplemental Appropriations Act, 1982 (Public Law 97–216) to cover the startup costs of Operation Exodus.

The Committee has recommended, within the total Customs Service appropriation, $9,270,000 in fiscal year 1983 to continue Operation Exodus through September 1983. This amount includes funds to annualize the cost of special Customs staff currently on-board in Operation Exodus and additional resources for top-priority equipment needs for the program next year. The amount recommended by the Committee would allow Customs to fund approximately 292 specialists to work on a number of operations in fiscal year 1983, including major saturation blitzes aimed at detecting and intercepting illegal high-technology exports headed for the Soviet Union and other Soviet bloc countries from major U.S. ports. The appropriation recommended by the Committee will also allow Customs to begin procurement of such important equipment items as a special tagging detection system; a minicomputer to allow Customs to store and manipulate classified data and provide enhanced transmission and reception facilities; and a microprocessor-microfilm records system for each Customs district.

The Committee expects to be kept fully apprised of Operation Exodus activities on a periodic basis during the course of fiscal year 1983, including reports on the effect these resources have had on the overall success of Operation Exodus.

### SOUTHEAST FLORIDA CRIME TASK FORCE

The U.S. Customs Service is directed to continue its activities associated with the southeast Florida Crime Task Force during fiscal year 1983. More specifically, the U.S. Customs Service shall maintain the 200 temporary duty assignments for the remainder of the current assignment period, fund a 91-position increment to the Customs employment levels now in southeast Florida, and fund several additions to Custom's air-support activities in Florida as planned. The Committee understands that the Department and the administration intend to submit a supplemental budget request for these activities in the amount of $8,100,000. The administration is encouraged to submit that request at which time the Committee will give it every possible consideration.

### EXCELLENT MANAGEMENT OF THE AIR PROGRAM

The Committee commends the Customs Service for establishing a Washington Headquarters Air Branch Command with centralized command, control, and communications over all air branches. Such a new office will be expected to provide continuity and control in planning and managing program operations; increase flexibility to shift resources in response to changing threats; become the single focal point for continuity of management direction and discipline; and standardize all air-related training, equipment acquisition, and operating procedures.

The Department of the Treasury, on behalf of Customs, is directed to coordinate with the Department of Transportation and the Department of Defense to establish improved procedures to control entry by air into the United States. With respect to the southern border of the United States the Secretary of the Treasury is instructed to coordinate with the Secretary of Defense in order to amend current air defense identification zone (ADIZ) procedures and insure that all inbound aircraft, irrespective of air speed, comply with ADIZ requirements.

### GROUND SENSORS

The Committee is deeply concerned that the Customs Service may be removing critical ground sensors in Arizona and other southwestern border States, without any plans for replacing those sensors. Ground sensors are a critical tool in the Southwest and other parts of the country for detecting illegal drug traffic and violations of immigration laws. Sensors can be utilized on the borders, at air strips, and numerous other strategic places and, if utilized properly, can assume the duties of Customs personnel. Sensors also aid Customs personnel in reducing the wear and tear on motor vehicles that must patrol remote border crossings or travel long distances over difficult terrain. Therefore, the Commissioner is directed to maintain an active ground sensor presence in Arizona, New Mexico, and other southwestern border States and to replace in their entirety any ground sensors which have been removed either permanently or for the purposes of repair, refurbishment, or relocation. The Commissioner shall report to the Committee by no later than December 30, 1982, on the progress of ground sensor placements in Arizona and other southwestern border States. Finally, the Commissioner is directed to form a task group to study all phases of sensors, including their utility at detecting illegal drug traffic in border States and how ground sensors mesh with an overall drug interdiction strategy, particularly for the southwestern border States. This study should be completed with a full report to the Committee by no later than March 1983.

The Committee directs that no Customs Patrol positions be transferred from the State of Oregon.

The Committee is aware of the long-standing communitywide effort in Boise, Idaho to establish a landing rights airport in that city, and directs the Secretary of the Treasury and the U.S. Customs Service to make every possible effort to cooperate in that regard.

The Committee recognizes the importance of the U.S. Customs Laboratory in Savannah, Ga., and directs that this laboratory shall remain open and its functions in no way be diminished or terminated.

### COMMITTEE DIRECTIVE: DULUTH/SUPERIOR; MILWAUKEE, WIS.; AND BRIDGEPORT, CONN. CUSTOMS OFFICES

The Committee is concerned that the Customs Service is planning to shift personnel from the busy twin Ports of Duluth, Minn.-Superior, Wis., to other locations in the Midwest, and, eventually close the Duluth office. Also, the Committee has learned that the Customs Service intends to consolidate the Milwaukee, Wis., District 37 Customs office, or close it altogether.

In light of the continuing high level of activity in both the twin ports and Milwaukee Customs areas, the Committee has included language in the bill that directs the Commissioner not to close or consolidate either of these facilities or shift import specialists or other key Customs personnel to other Customs offices in fiscal year 1983. The Committee is willing to consider future plans for these two important facilities in conjunction with the appearance of Customs in hearings to discuss its fiscal year 1984 budget.

The Committee also directs that the Customs office in Bridgeport, Conn., remain open and fully operational in fiscal year 1983, with no reduction in personnel.

The Committee is aware that the city of Boise, Idaho, has for some time been attempting to have its airport designated a landing rights airport for purposes of securing U.S. Customs clearance for incoming international flights. Budgetary restraints have prevented this in past years, but inasmuch as air traffic into Boise continues to increase and since it is economically inefficient to divert incoming flights to airports hundreds of miles away to clear customs, the Committee believes the U.S. Customs Service should reexamine this subject and make every effort to reach an acceptable solution.

The Committee recognizes the importance of import specialists presently stationed at Blaine, Wash., and directs that any plans to relocate import specialists from Blaine, Wash., to Seattle, Wash., not be implemented.

## BUREAU OF THE MINT

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $47,489,360 |
| 1983 budget estimate | 50,165,000 |
| House allowance | 50,000,000 |
| Committee recommendation | 48,000,000 |

The Committee recommends an appropriation of $48,000,000 for the salaries and expenses of the Bureau of the Mint. This amount is $2,165,000 below the budget request.

The Bureau of the Mint manufactures coins, receives gold and silver bullion, safeguards the Government's holdings of monetary metals, and refines gold and silver bullion. The manufacture of domestic coins is the major activity of the Mint. Coins are ordered from the Mint by the Federal Reserve Banks in quantities required for the country's business transactions. Thus, the volume of the coinage program is determined by the public need for coins.

The Committee has denied the restoration of $1,838,000 requested to allow the Bureau of the Mint to recoup its reductions imposed by the fiscal year 1982 continuing resolution. Although the Committee recognizes the unique mission of the Mint and the effect the continuing resolution levels may have had on Mint operations, it does not believe that the Mint should be singled out for special treatment and restoration of fiscal 1982 reductions supported and passed by Congress. The Committee notes that only two other accounts in the entire Treasury portion of the bill are requesting such restoration in fiscal year 1983. Therefore, the Committee has denied $1,838,000 of the proposed increase recommended by the President for the Bureau of the Mint.

Finally, the Committee has denied the proposed $24,000 increase in the cost of travel and transportation at the Bureau of the Mint. The travel and transportation of persons budget at the Bureau has increased from $168,126 in fiscal year 1981 to a proposed new level of $256,000 next year, or 52 percent. The Committee believes that in a year of rigid fiscal restraint, the Bureau should be able to absorb this modest reduction in travel next year without seriously affecting Mint operations.

The balance of the proposed reduction below the budget estimate should be absorbed in other low priority activities to be applied at the discretion of the Director of the Bureau of the Mint.

## EXPANSION AND IMPROVEMENTS

| | |
|---|---|
| 1982 appropriation to date | $3,968,640 |
| 1983 budget estimate | 5,200,000 |
| House allowance | 5,200,000 |
| Committee recommendation | 5,200,000 |

The Committee concurs with the House in recommending the full budget request of $5,200,000 for expansion and improvements for the Bureau of the Mint. This amount is $1,231,360 above the current fiscal year 1982 appropriation level.

The primary responsibility of the Bureau of the Mint is to provide the Nation with an adequate supply of coins. In our continuing efforts to further improve our effectiveness and efficiency in fulfilling this function, we implemented computerized forecasting models. These models are designed to include economic indicators in our coin demand forecasting, as well as production planning and inventory controls.

The Mint, with its present facilities and equipment, does not have the capacity to produce the forecasted demand of 22 billion coins per year by 1985. The purpose of this multiyear expansion and improvement program is designed to allow the Mint to meet the 1985 forecasted demand. A study has been initiated to review other requirements to meet demand through 1990.

In the early 1970's, the Department proposed a new Denver Mint to meet anticipated coinage demand during the 1980's. In 1976 Congress asked the General Accounting Office to study alternatives to the construction of a new Denver Mint, which then was estimated to cost $65,000,000. In 1978, the Mint initiated a detailed cost-benefit study of the alternatives recommended by GAO to meet production requirements to 1985, under guidelines issued by OMB. It was concluded that the recommendations of GAO to improve and expand existing facilities would be the most cost-effective method of expanding Mint capacity. Detailed cost estimates were prepared for each coin facility. Estimates for facilities modifications and production equipment totaled $18,000,000.

Of the estimated $11,500,000 needed for improvements at the Denver Mint, $5,700,000 is provided by previous appropriations to a no-year appropriation entitled "Construction of Mint facilities." The $5,700,000 is being used for building modifications of $1,900,000 and equipment of $3,800,000. Completion of this $11,500,000 project will expand Denver's capacity by 2 billion coins beginning in fiscal year 1984.

The level of funding recommended by the Committee will allow the Bureau to continue site modification work at the Denver Mint at a reduced level and initiate site modifications at the San Francisco Assay office. The increase above fiscal year 1982 will allow for additional equipment purchases at the Philadephia Mint; major equipment acquisitions for the Denver Mint; and equipment purchases for the San Francisco Assay Office.

## BUREAU OF THE PUBLIC DEBT

### ADMINISTERING THE PUBLIC DEBT

| | |
|---|---|
| 1982 appropriation to date | $178,234,000 |
| 1983 budget estimate | 210,045,000 |
| House allowance | 209,000,000 |
| Committee recommendation | 201,000,000 |

The Committee recommends an appropriation of $201,000,000 for the Bureau of the Public Debt. This amount is $9,045,000 less than the budget request for fiscal year 1983.

The Bureau of the Public Debt is responsible for administering the laws and regulations pertaining to public debt financing and operations within the framework of policies established by the Secretary of the Treasury. The Bureau's primary concerns are with the issuance, servicing, and retirement of public debt securities, and accounting for the public debt and its related interest cost. It also has a general responsibility for the conduct or direction of transactions in public issues of those Government agencies for which the Treasury acts as agent.

In addition to funding the direct operating costs of the Bureau of the Public Debt and U.S. Savings Bonds Division, which is a separate organizational entity, this appropriation provides funds for reimbursing the Federal Reserve Banks for services performed in their capacity as fiscal agents of the United States, funds for payment of fees at stipulated rates to financial institutions and others for issuing and redeeming savings-type securities, and funds for payment of postage and registry fees to the U.S. Postal Service for services performed in the delivery of savings bonds and other Treasury securities.

The Committee has denied $6,500,000 of the requested increase of $7,816,000 for restoration of the paying agent fee schedule that was reduced in fiscal year 1982 due to the rigid funding levels imposed by the continuing resolution of 1982 (Public Law 97-161). The Bureau of the Public Debt is one of three accounts in the Treasury portion of this bill that is targeted for a restoration of fiscal year 1982 budget reductions approved by the Congress last year. Although the Committee is sympathetic to the need to restore the fee rate schedule established in 1981, it does not believe that the Bureau of the Public Debt should be singled out for special treatment and have its congressionally approved 1982 budget reductions restored in fiscal year 1983. The effect of the rigid fiscal restraints of fiscal year 1982 was felt by all agencies of Government, including the Bureau, but the Committee does not believe that the principal purpose of the fiscal year 1983 appropriation should be to restore reductions made last year unless the case for such restoration is overwhelming. The Committee does not believe that the evidence substantiates the need to restore the Bureau's fiscal 1982 reductions. Nevertheless, the Committee has allowed for the restoration of $1,316,000 to allow for partial return to the fee rate schedule for reimbursing paying agents that was established in 1981.

The Committee has denied $125,000 of the proposed $250,000 increase for transportation of things in fiscal 1983. The requested increase would represent a jump of 27 percent over fiscal year 1982 levels and 82 percent over fiscal year 1981 funding for transportation of things. In a year of fiscal restraint, the Committee believes that the Bureau can reduce this increase by one-half without a serious disruption to Bureau transportation operations.

The Committee has denied all but $1,000,000 of the proposed $2,354,000 increase requested for printing and reproduction. The budget request for printing and reproduction represents an increase of 41 percent over current levels. Again, in a time where every effort must be made to hold down discretionary spending wherever possible, an increase of this magnitude is not justified. Therefore, the Committee has proposed an increase of $1,000,000 over fiscal year 1982 for printing and reproduction, or an increase of approximately 17.4 percent.

The Bureau has also requested a 96-percent increase for equipment in fiscal year 1983—from $588,000 in fiscal 1982 to $1,155,000 next year. The Committee believes that this request is excessive and therefore recommends a reduction of $300,000 in this request. Even with this reduction, the Bureau's equipment budget for 1983 would increase by 45 percent over current levels.

Finally, the Committee has denied the requested $79,000 increase for travel and transportation of persons. With total Bureau employment scheduled to drop by 109 permanent positions in fiscal year 1983, the Committee sees no reason to grant this proposed increase in travel in fiscal year 1983.

### SAVINGS BOND DIVISION

The Committee directs the Bureau to absorb the balance of the recommended reduction below the budget request in the Savings Bond Division.

A July 26, 1982, General Accounting Office report indicates that the problems and abuses that have plagued this Division in the past, in many cases, still persist. For example, the GAO found that, despite new Division control procedures, Savings Bond Division sales persons continue to submit false reports on the amount of work and contacts they make in their efforts to promote the sale of savings bonds. The study also showed that there are no quantitative data that support the contention that the promotional efforts of the Division and its sales force contribute to the sale of savings bonds. In short, it is evident from this and other reports that the costs seem to outweigh the benefits to be derived from the promotional activities of the Division. The Committee, therefore, believes that at least $100,000 should be cut from the Savings Bond Division's budget estimate in fiscal year 1983, and that the Secretary of the Treasury should devote considerable attention and study to the persistent problems that hamper the operations of this Division within the Bureau of the Public Debt.

## INTERNAL REVENUE SERVICE

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $164,376,000 |
| 1983 budget estimate | 171,102,000 |
| House allowance | 170,510,000 |
| Committee recommendation | 160,000,000 |

The Committee recommends an appropriation of $160,000,000 for the salaries and expenses account for the Internal Revenue Service. This amount is $11,102,000 below the budget request.

The salaries and expenses appropriation provides funding for policy formulation, research, and executive direction of the Internal Revenue Service, for management services and support and for the centrally directed activities which perform independent reviews of operations, protect the integrity of the Service and provide legal and technical rulings and services. The appropriation consists of five activities: executive direction, management services, internal audit and security, legal services, and technical rulings and services.

An increase of 14 positions and $4,316,000 has been requested by the administration for executive direction in fiscal year 1983, including $1,700,000 for enhanced research and development projects and studies. The Committee has denied $2,483,000 of this requested increase in executive direction and the request for 14 new positions.

Although the Committee is sympathetic to the significant administrative workload that exists at IRS, it does not believe that the addition of these additional executive direction personnel and resources is necessary in fiscal year 1983. The Committee has consistently recognized and acknowledged the well-documented cost benefits of added personnel and resources in the areas of taxpayer service and returns processing; examinations and appeals; and investigations and collections. However, the Committee does not believe that the same dollar payoffs exist in the executive direction function.

The Committee has also denied the requested increase of 42 positions and $1,214,000 for management services, to be derived in large part through interappropriation transfers of personnel from other important activities at IRS. The Committee believes that if, in fact, these positions are not required in other areas of IRS, then those positions should be abolished, rather than transferred to other activities, such as management services. Requests for new positions should stand on their own merits rather than be couched as a transfer from other IRS operations. The Committee has approved the requested increase of $919,000 for maintaining tax administration and computerizing tax forms order fulfillment, warehousing, and distribution functions; and for computerizing the delivery, management, and evaluation of training.

IRS has requested 110 new positions and $4,716,000 in additional funding for legal services. The Committee has denied 50 positions and $2,116,000 of this proposed increase. Although the Committee shares the Service's concern about increased workload and the need for additional legal personnel, it does believe that an increase of the magnitude requested is justified in fiscal 1983. Therefore the Committee has approved 60 new positions and $2,600,000 for new legal services positions next year. The Committee has denied the requested increase of $462,000 for advance training for new attorney hires. If, in fact, advance training is required for new IRS attorneys, then the Service should absorb this cost from within its existing resources in fiscal 1983.

The Committee recommends that a substantial portion of the proposed reduction in the salaries and expenses budget for 1983 be absorbed in travel and other services. With net employment in this account down by 72 positions in fiscal 1983, the Committee believes that travel for fiscal 1983 should remain at or below fiscal 1982 levels. The Committee also notes that the Service is requesting a 28-percent increase in other services next year, again, at a time when employment in this account is dropping. The Service should be able to absorb an additional cut of $1,257,000 in these two areas of travel and other services without a significant effect on operations.

Finally, the Committee believes that the balance of the proposed reduction below the budget estimate should be applied to other lower priority activities to be selected at the discretion of the Secretary.

### TAXPAYER SERVICE AND RETURNS PROCESSING

| | |
|---|---|
| 1982 appropriation to date | $910,462,000 |
| 1983 budget estimate | 957,679,000 |
| House allowance | 1,000,778,000 |
| Committee recommendation | 967,000,000 |

The Committee recommends an appropriation of $967,000,000 for taxpayer service and returns processing in fiscal year 1983. This amount is $9,321,000 above the President's budget estimate.

The taxpayer service and returns processing appropriation provides funding for three activities: data processing operations, statistical reporting, and taxpayer service.

The data processing operations activity is responsible for receiving and processing tax returns, issuing refunds and notices, accounting for revenues, and developing and maintaining all Service computer systems. Statistical reporting includes preparation of statistical information on income and other aspects of the tax system. Taxpayer service aids voluntary compliance with Federal tax laws on the part of all taxpayers by informing them of their responsibilities, by providing service which will assist them in meeting their obligations, by responding to requests for disclosure of official information, by performing safeguard reviews of agencies which receive confidential tax information; and by providing foreign, State, and local tax administration assistance.

### TAXPAYER SERVICE

The budget request assumes a reduction of 1,691 positions and $50,382,000 in taxpayer service activities in fiscal year 1983. This proposed reduction calls for virtual elimination of toll-free telephone tax law assistance from IRS and sharp cutbacks in other direct taxpayer assistance functions. The reductions recommended by the administration would reduce the number of taxpayers to be assisted from 41.4 million in the current fiscal year to approximately 20.8 million in fiscal year 1983.

The Committee believes that it is critical to maintain taxpayer services at current levels in the coming fiscal year and has, therefore, concurred with the House in recommending restoration of approximately 1,675 positions and $50,000,000 to the President's budget. These additional resources will allow the IRS to restore the toll-free telephone taxpayer assistance program to current levels and allow taxpayers to receive tax law information by telephone. The administration's fiscal 1983 budget called for the IRS to only answer telephone inquiries regarding the status of refunds or other such requests, but not substantive tax law or interpretation inquiries. By restoring full funding for the toll-free telephone, the Committee will be maintaining one of the most effective IRS services in helping taxpayers attempt to comply with our complex tax laws. The funds recommended by the Committee will also help to sustain a satisfactory level of walk-in assistance to taxpayers at IRS field offices and assure continuation of direct preparation services for the elderly and/or low-income taxpayers who require such direct assistance in complying with the tax laws. The Committee believes that the IRS has an obligation to facilitate taxpayer compliance and to promptly and adequately assist all taxpayers as they try to meet their tax obligations. Furthermore, the Committee believes that the IRS should pay particular attention to the needs of those taxpayers who cannot afford to hire expensive outside tax attorneys or accountants to handle their tax affairs. The restoration of funding proposed by the Committee will help to assure that these services are continued through the next tax filing season.

## DATA PROCESSING OPERATIONS

The administration has requested an increase of 350 positions and $75,300,000 for modernizing automated data processing systems at IRS and for improving the efficiency of IRS field offices through new systems and procedures.

The Committee has recommended a reduction of $18,000,000 in the budget request for data processing operations under this account. The following table shows the requested data processing capital investment items and the Committee's recommendations:

| Item | Budget request | Committee recommendation |
|---|---|---|
| Research and development | $2,100,000 | |
| Training in the 1980's/physical distribution study | 800,000 | |
| Equipment replacement program | 11,600,000 | $11,600,000 |
| Direct data entry system | 3,300,000 | 3,300,000 |
| Annual readiness check | 500,000 | |
| Optical character recognition of Federal tax deposits | 6,300,000 | 6,300,000 |
| Other productivity initiatives | 1,000,000 | |
| Integrated data retrieval system | 4,200,000 | 4,200,000 |
| Automated collection system | 36,700,000 | 26,900,000 |
| Automated computerized examination system | 1,500,000 | 1,500,000 |
| Office automation and management information system | 3,300,000 | |
| ZIP code presort | 3,500,000 | 3,500,000 |
| Revenue accounting and control system | 500,000 | |
| Total | 75,300,000 | 57,300,000 |

In approving an appropriation of $57,300,000 for data processing operations, the Committee has preserved the highest priority systems initiatives requested by the Service. They are: equipment replacement program (ERP); direct data entry system (DDES); optical character recognition of Federal tax deposits (OCR for FTD's)/high-speed nonimpact print (HSNP) system; and integrated data retrieval system (IDRS). Also, the Committee recommendation provides over 73 percent of the funding requested for another major ADP initiative, the automated collection system. A supplemental appropriation of $1,878,000 and 60 average positions was requested for fiscal 1982 to initiate a study of the feasibility of implementing the proposed automated computerized examination system, but was denied by the Congress. The automated computerized examination system is a computer system that would help provide examiners with terminal access to taxpayers returns and other information for examination purposes. Since the feasibility study has yet to be completed, the Committee believes that a reduction of $9,800,000 can be made in ACES in fiscal 1983 without hindering the progress of the IRS in developing this system. Once the feasibility study has been completed and fully analyzed, the Committee will give sympathetic consideration to subsequent budget requests to implement this new computerized system.

The Committee directs that a reduction below the budget request of $1,395,000 be taken in travel and transportation of persons (−$797,000); transportation of things (−$115,000); and other services (−$483,000). The Committee believes that these modest reductions can be made in these object classifications without having a significant effect on regular taxpayer service and returns processing operations in fiscal year 1983. Employment under this account is scheduled to drop by a net of 176 positions next year, thus reducing increased requirements in travel and transportation of persons. Furthermore, even with the proposed cut in travel, the Service will sustain a 12-percent increase over fiscal 1982 travel levels. Reductions of the size proposed in transportation of things and other services should also be attainable due to cutbacks in personnel and in an effort to hold down controllable cost items in the Agency.

The Committee directs that none of the balance of the proposed reduction below the level in the House-passed bill be applied to taxpayer service activities.

Finally, the Committee recommends that, within the total taxpayers service and returns processing appropriation, $2,600,000 be provided by IRS for the voluntary income tax assistance (VITA) and tax counseling for the elderly (TCE) program. Of this amount, $1,300,000 would go for TCE and the balance for other VITA programs. This is an important program for helping the elderly comply with our tax laws through the use of volunteer tax counselors. The Commissioner of IRS has acknowledged the importance of this program in testimony before the Committee. Substantial changes in the tax laws, under the Economic Recovery Tax Act, have further complicated the income tax filing process for many elderly taxpayers and increased their need for outside tax preparation assistance. The VITA and TCE programs will help taxpayers over the age of 60 to handle their taxpaying obligations in the coming tax filing season.

## EXAMINATIONS AND APPEALS

| | |
|---|---|
| 1982 appropriation to date | $952,222,000 |
| 1983 budget estimate | 1,016,634,000 |
| House allowance | 1,009,409,000 |
| Committee recommendation | 1,000,000,000 |

The Committee recommends an appropriation of $1,000,000,000 for examination and appeals activities in fiscal year 1983, which is $16,634,000 below the budget estimate and $9,409,000 below the level of funding in the House bill.

The examinations and appeals appropriation provides resources to examine tax returns and to administratively settle taxpayer appeals of the examination findings. Examinations and appeals play a central role in the continued effectiveness of our self-assessment tax system and the fair and equitable application of the tax laws. The Service must examine taxpayers' books and records to determine the correctness of taxpayers' returns. In those instances where the taxpayer disagrees with examination findings, the appeals program provides an independent administrative review. The objective is to reach an impartial settlement, fair to the taxpayer and the Government, without the necessity of litigation.

The Committee has approved the full $45,589,000 and 1,574 average position increase requested by the administration to enhance its examination and appeals activities in the coming fiscal year.

The Committee has also denied the increase of $6,461,000 requested by the administration for a cost adjustment to staffing. This increase over fiscal year 1982 was necessitated by a budgeting error made during the adjustment period between the President's March 1981 budget submission and his September 1981 budget revisions. A restoration of $6,461,000 is being requested in fiscal year 1983 to compensate for that error. However, the Committee notes that in fiscal year 1982, the IRS was able to hire 1,225 new personnel at a cost of $8,099,000 without any supplemental funding from the Congress and without the approval of the Office of Management and Budget, absorbing the cost of these advance hires from within existing fiscal 1982 examinations and appeals resources. Therefore, it is clear that the $6,461,000 was not required in fiscal year 1982 and should not be restored in fiscal year 1983.

The Committee also recommends a reduction of $1,000,000 in the budget request for printing and reproduction activities and $1,000,000 in travel and transportation of persons. The administration is requesting a 31-percent increase in printing and reproduction, even though the IRS budget justifications indicate that only a 10-percent increase in printing activities will be needed next year. Even with the $1,000,000 cut in printing and reproduction, the printing and reproduction budget will increase by $824,000, or 14 percent over fiscal 1982. The reduction in travel and transportation of persons recommended by the Committee will leave the examinations and appeals travel budget with an increase of over 16 percent in fiscal year 1983. An increase of this magnitude should be more than adequate to meet any existing or new examinations and appeals activities in fiscal year 1983.

Finally, the Committee directs that the balance of the proposed reduction below the budget estimate be absorbed in other lower priority examinations and appeals activities to be determined at the discretion of the Commissioner.

### INVESTIGATIONS AND COLLECTIONS

| | |
|---|---|
| 1982 appropriation to date | $644,866,000 |
| 1983 budget estimate | 771,744,000 |
| House allowance | 767,493,000 |
| Committee recommendation | 771,000,000 |

The Committee recommends an appropriation of $771,000,000 for investigations and collections activities in fiscal year 1983. This amount is $744,000 below the budget request.

The investigations and collection appropriation provides funding for three activities—tax fraud investigations, collection, and employee plans and exempt organizations. The tax fraud investigations activity is responsible for investigating criminal violations of the internal revenue laws.

The collection activity provides for collecting unpaid accounts, as well as securing unfiled tax returns and payments. The employee plans and exempt organizations activity is responsible for monitoring employee pension plans, determining the qualifications of organizations seeking tax exempt status, and examining the tax returns of exempt organizations.

The Committee has approved the requested increase of 3,638 new average positions in fiscal year 1983 targeted exclusively for the collections function at IRS. This increase in both funding and staff will permit the Service to complete action on some 3,258,000 unpaid accounts and collect revenue of about $7,800,000,000—an increase of approximately $1,400,000,000 over fiscal year 1982 levels. The outstanding unpaid taxes in active inventory would decline to approximately $3,700,000,000 at the end of fiscal 1983. These additional resources will also allow IRS to secure 1,393,000 delinquent returns and assess over $1,800,000,000 in unreported tax. Significant inroads would also be made in identifying taxpayers who have never filed tax returns and to secure required returns.

The Committee believes that the small reduction of $744,000 below the budget should be applied to lower priority activities such as travel and transportation of persons.

The Committee believes that the investigations and collections program has, perhaps, the largest payoff for the Federal Government per dollar spent of all IRS activities.

## RECOMMENDATIONS TO THE COMMISSIONER OF THE INTERNAL REVENUE SERVICE

Enforcing the tax laws involves separate governmental entities, each with their own budget. However, the Department of the Treasury is primarily responsible for enforcement of the tax laws and the Commissioner should, together with the Department of Justice, develop a streamlined legal review process for criminal tax cases. Such streamlined review process, as envisioned by the Committee, will prevent duplicate, and sometimes triplicate, oversight of criminal tax cases.

The Committee has included language in the bill that would direct the Internal Revenue Service to accommodate any future fiscal year 1983 permanent, full-time, part-time, or temporary personnel funding beyond the levels envisioned in this bill, within the total appropriation recommended by the Committee for IRS.

The Committee has approved large increases in personnel and funding in this bill to accommodate the President's revenue initiative to collect overdue taxes owed by delinquent taxpayers. The President's budget for fiscal year 1983 does not contain and did not envision additional resources for implementation of the new Tax Equity and Fiscal Responsibility Act of 1982 (Public Law 97–248), for example. The Committee, however, understands that substantial additional personnel and financial resources may be required to implement that act over and beyond the resource levels programed in the President's February budget. Nevertheless, the Committee has included language that would make it clear that any additional resources for the implementation of this new tax act or any other new tax act adopted in the coming fiscal year would have to be absorbed within the total appropriation levels contained in this appropriation bill or unless a supplemental appropriation is recommended by the Committee and approved by the Congress.

### ARIZONA PRIVILEGE TRANSACTION TAX

The Committee has included language in title VI of the bill that would clarify a tax law issue regarding the deductibility of a special tax paid by Arizona homebuyers on new housing units in the State of Arizona.

Effective January 1, 1979, Arizona amended its sales tax laws to permit the deductibility of the Arizona privilege transaction tax on homes by causing the tax to be separately stated and paid by the homebuyer. Homebuyers were issued tax receipts pursuant to Arizona Revised Statutes, section 42–1310.02. The provision was adopted by the Arizona legislature to encourage homeownership and assist the ailing homebuilding industry in the State of Arizona.

Present law permits a deduction for State and local general sales tax separately stated to the purchaser although, in theory, there is a distinction between a sales tax imposed upon the purchaser and a privilege tax or license tax collected by the seller and passed on to the purchaser. As long as the tax is separately stated and paid by the purchaser, it is deductible.

The allowance of a deduction of privilege license taxes has received uneven application in various districts of the Internal Revenue Service. In most districts, the tax is permitted as a deduction, whether identified as a sales tax or privilege license tax upon retail sales. Some districts, however, will not permit the deduction of a privilege license tax which is identified to items other than those sold through normal retail outlets such as the tax imposed upon the sale of real estate. Other districts permit such deductions where the tax is separately stated and paid by the purchaser of the real estate.

In addition, the Internal Revenue Service has taken the position that when privilege license tax imposed upon residential real property is measured by a portion of the gross receipts and not all of the gross receipts, the tax does not qualify for deduction. As a result of the restrictive definition of the general sales tax, special rules have been adopted for food, clothing, medical supplies, and motor vehicles in order to fulfill the intention of Congress. To permit deductibility of such taxes, the Committee believes that a special rule should be adopted for the purchaser of residential real property.

The language in the bill establishes a special rule for residential real property that permits the deductibility of the tax which is imposed upon an amount less than the gross receipts of the sale. The provision, however, does require that the tax be separately stated and that it be paid, as so identified, by the purchaser before a deduction is permitted.

### PAYMENT WHERE ENERGY CREDIT EXCEEDS LIABILITY FOR TAX

| | |
|---|---|
| 1982 appropriation to date | $440,000 |
| 1983 budget estimate | 300,000 |
| House allowance | 300,000 |
| Committee recommendation | 300,000 |

The Committee concurs with the House in recommending the budget request of $300,000 for payment where energy credits exceed liability for tax.

The Energy Tax Act of 1978 authorized a solar-wind business energy credit beginning October 1, 1978. As provided by law, there will be instances where a solar-wind business credit will exceed the amount of tax liability owed, resulting in a payment to the filer. This account provides for those funds which are required to make payments to businesses when the solar-wind credit exceeds the amount of tax liability owed.

### S. 1811 AGENTS

The Committee hearings revealed that the Service had more armed S. 1811 agents than most law enforcement agencies. Heavy-duty police vehicles and deadly weapons normally have no place in a tax-collection agency. The Service is reminded that they are basically tax collectors and not policemen. Therefore, the Committee directs that the Commissioner use his office to reevaluate why IRS needs over 2,700 S. 1811 agents, and report to the Committee by January 1, 1983, on what, if any, steps could be taken to reduce these numbers.

### PROBLEM RESOLUTION PROGRAM

The Committee applauds the Service's problem resolution program and its efforts to improve the IRS image with the American public. Our tax system is the cornerstone of the American economy. When the Internal Revenue Service's image suffers, the tax system suffers and this the Congress cannot allow.

## U.S. SECRET SERVICE

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $195,477,000 |
| 1983 budget estimate | [1] 301,882,000 |
| House allowance | 220,000,000 |
| Committee recommendation | 235,000,000 |

[1] Includes $93,431,000 requested to be shifted from the Bureau of Alcohol, Tobacco and Firearms to the Secret Service in fiscal year 1983.

The Committee recommends the appropriation of $235,000,000 for the U.S. Secret Service.

The Secret Service is responsible for protection of the President and other officials, investigating counterfeiting of currency and check forgeries, and protection of the White House and other buildings in Washington, D.C.

The U.S. Secret Service is directed to recruit 200 additional special agent personnel.

The Service is a labor intensive organization whose success depends on having an adequate number of special agents to properly execute mission responsibilities. The critical resource of the Secret Service is the special agent criminal investigator who has the dual responsibility of guarding against those who would take the life of public officials holding the highest offices of this country, as well as those who would undermine the integrity of the Nation's currency and securities.

The Committee recognizes that the Service is critically understaffed in special agents assigned to field offices. This deficiency, if ignored, will adversely impact on every phase of operations.

Unlike most Government agencies, the Secret Service must replenish the physically demanding permanent protective details on a systematic basis. While it is a temporary phenomenon for the agents, it is a regular, recurring problem for the organization.

Traditionally, the Service has sought to maintain a renewable base or pool of qualified field agents. In all but 2 of the last 6 years, the number of agent separations exceeded new hires. Of additional concern is the fact that due to limited hiring of new agents and a low attrition rate, the number of special agents between 21 and 34 years of age continues to decline. There has been a steady decline in the number of special agents between the ages of 25 and 34 and a corresponding increase in the number of agents 35 years of age and older. Agents 35 years of age and older account for 60 percent of the Secret Service agent force.

This trend must not be allowed to continue in view of the physical and psychological demands of the missions.

In order to remedy this critical problem, the Committee directs that the Service recruit an additional 200 special agent positions for the fiscal year 1983.

The Committee notes that the Congress denied a number of critical Secret Service supplemental budget items during deliberations over the fiscal year 1982 regular Supplemental Appropriations bill. These items were denied without prejudice primarily because of the lateness of the fiscal year and the short timeframe within which the funds would have had to be obligated. The Committee believes that a number of those supplemental items are essential to the readiness posture of the Secret Service and can be justified for inclusion in this bill, particularly in light of the need of the Service to begin preparations and planning for the next Presidential election cycle. Therefore, the following items which were requested by the administration in the Supplemental Appropriation bill, are included in this bill: $528,000 to purchase six armored vehicles in an effort to update and expand the current armored fleet; $400,000 to provide essential alarm and video support for critical protective sites, and for expansion of laser training system to incorporate the UZI submachine guns and short shotguns; $1,000,000 for increased cost of scheduled overtime due to increased need for protection of the President by the Western Protective Division; $600,000 for increased cost of auto repair, maintenance, and replacement; $292,000 for the establishment of a Committee on Behavioral Research and Training Issues relevent to the mission of Secret Service and to assist the Service in developing a capacity and training program for assessing and managing persons who may pose threats to the safety of protectees; $352,000 for purchase of equipment needed for establishment of a secure voice telephone system; $176,000 to cover the cost of dignitary protection seminars conducted by the Service around the country with participation by other law enforcement agencies; $435,000 for additional security at the New Executive Office Building; $507,000 for additional work on the White House security system; $135,000 for additional permanent and full-time equivalent uniformed division positions; and $2,000,000 for additional protective travel expenses in fiscal 1983.

## FOREIGN FIELD OFFICES

Counterfeit U.S. currency of Colombian origin was first identified by the Secret Service in 1963. Since that time, 170 different and distinct counterfeit notes grouped into five major families have been cataloged. Since 1969, the number and dollar value of Colombian counterfeit notes passed in the United States has been, with few exceptions, increasing annually. In fiscal year 1970, 5.6 percent (or $122,381) of the total counterfeit passed in this country was of Colombian origin. In fiscal year 1975, this figure increased to 12.2 percent (or $441,790), and in fiscal year 1980 to 19.3 percent (or $1,069,358). Through the first 6 months of fiscal year 1981, 15.5 percent (or $510,702) of the counterfeit passed on the American public could be appropriately stamped "made in Colombia."

In January 1979, in order to intensify efforts to suppress the influx of counterfeit U.S. currency, a task force of special agents (Colombian task force) was dispatched to Colombia. The task force personnel, which was the first effort at a full-time presence, remained until July 1979 and began to acquaint Colombian police authorities with sophisticated techniques for pursuing counterfeit investigations. As a result of these efforts, $8.6 million in counterfeit U.S. currency was seized and 30 individuals in possession of counterfeit U.S. currency were arrested by Colombian police authorities in a 6-month period.

Due to the low passed/seized ratio for Colombian origin counterfeit notes, the seizure of this $8.6 million at the source in Colombia resulted in a much lower passed-on-the-public figure in the United States than would have normally occurred.

Domestic Secret Service operations, by directing their efforts toward the suppression of the printing operation, has seized approximately 90 percent of all counterfeit currency produced before it can be passed on the public. The ability to get to the source of the counterfeit notes in Colombia is frustrated by the lack of permanent Secret Service presence in that country.

The Committee believes that the desirability of a permanent Secret Service office in Colombia has been clearly demonstrated and directs that the Departments of Treasury and State should forthwith facilitate the necessary arrangements to this end. Additionally, the Committee directs that the Secret Service must open new field offices at Rome, Italy, and at the British Crown Colony of Hong Kong. The Service is directed to open these new offices forthwith.

## SECRET SERVICE REFORM

The Committee has included language in title VI of the bill which will take a major step toward providing the U.S. Secret Service with the necessary legislative assistance to overcome many of the obstacles which currently impede their efforts to crack down on potentially dangerous individuals. The Committee has recommended the following provisions for enhancing the Secret Service's ability to deal more effectively with protection of the President and other protectees:

First. Permits the Secret Service to establish so-called physical zones of protection for protectees of the Secret Service, other than the President of the United States. Currently, this physical zone of protection authority exists only for the protection of the President. This new provision would provide a specific criminal offense for violation of this zone of protection for protectees of the Service and provide further deterrent for unauthorized personnel to penetrate security areas established by the Service. This was a legislative recommendation of the House Select Commission on Assassinations that has never been implemented. It would cover White House staff and other top officials under Secret Service protection while with the President.

Second. Extends to various other specified protectees of the Service, including Presidential candidates, the same type of statutory protection against threats of physical harm which is presently afforded the President and officer next in line of succession to the Presidency. This provision would enable the Service to immediately investigate and prosecute persons making such threats against our highly visible and vulnerable public figures. Investigation and prosecution of such threats have been hampered because of a lack of an applicable Federal statute similar to the Presidential threat statute. This would correct this problem and would also amend section 871 of title 18 United States Code, to include kidnapping threats to the President under these new protections.

Third. Continues protection of former Presidents during their lifetime, would extend protection to a former Vice President and the spouse or surviving spouse and children under 16 years of age of a former President for a period of 6 months, unless such protection is declined or unless the Secretary of the Treasury extends or reinstates such protection after this period.

The Secretary of the Treasury however, would continue to gather intelligence relating to the necessity for providing or reinstating such protection and can reinstate such protection at any time. Furthermore the language would "grandfather in" those currently receiving Secret Service protection upon the date of enactment of this measure. For example, Mrs. Reagan, former First Lady, Mrs. Johnson, and Mrs. Truman would continue to receive protection under current law.

It is the feeling of the Service that the foregoing modifications in existing protection are justified on the basis of the experience of the Service in its protective responsibilities. Intelligence gathered by the Service regarding the number and kinds of threats against public officials and their families suggests that the manpower and resources of the Service can be better utilized in other areas of responsibilities.

Fourth. Provides authorization for the Treasury to reimburse its Secret Service agents working on protective missions for subsistence expenses when the agents, though not in travel status, are, nevertheless, specifically assigned to remain in close physical proximity to a protectee on a 24-hour basis. This is not a major legislative change but it would help to improve morale and fairness among on-duty agents and rectify what is believed to be an inequity within the Secret Service.

Fifth. Provides an exemption from the Freedom of Information Act for records maintained by the Secret Service in connection with its protective functions which are conducted in accordance with section 3056 of title 18, United States Code. This will protect these sensitive documents from FOIA requests—an essential exemption if we are to enhance our intelligence-gathering capabilities relative to the protective function of the Secret Service.

The Committee notes that threats against the life of the President and other top officials continue to persist. The recommended appropriation above the President's budget estimate is further indication of the Committee's concern that the Secret Service have the financial and legislative resources to protect its list of protectees in the face of the continuing threat against their lives. The language in the bill outlined above will install a number of statutory safeguards that will significantly enhance the Secret Service's protective mission.

Finally, out of the funds appropriated in the accompanying bill, $10,000 is for official reception and representation expenses of the Director of the Secret Service and is to be expended only at his direction and with his approval.

# TITLE II—UNITED STATES POSTAL SERVICE

## PAYMENT TO THE POSTAL SERVICE FUND

| | |
|---|---|
| 1982 appropriation to date | $706,810,400 |
| 1983 budget estimate | 500,000,000 |
| House allowance | 708,000,000 |
| Committee recommendation | 708,000,000 |

The Committee has recommended an appropriation of $708,000,000 for payment to the Postal Service fund in fiscal year 1983.

The Postal Service appropriation is authorized under the Postal Reform Act and traditionally has been broken down into three major categories: public service costs; revenue foregone on free and reduced rate mail; and nonfunded liabilities of the former Post Office Department. The budget request calls for an appropriation of $500,000,000 for revenue foregone mail, but no funding for either public service costs or to cover nonfunded liabilities. The Omnibus Reconciliation Act of 1981 (Public Law 97-35) provided authorization for an appropriation of $100,000,000 for public service costs and $708,000,000 for revenue foregone mail in fiscal year 1983.

The $500,000,000 recommended in the budget request is for the purpose of reimbursing the Postal Service for loss in revenue associated with carrying certain categories of mail at free and reduced rates.

The following table refects the effect on subsidized mail rates of the President's budget estimate of $500,000,000 and the appropriation recommended by the Committee:

COMPARATIVE PHASED POSTAL RATES FOR ILLUSTRATIVE MAILINGS

[Adjusted for appropriation shortfall. Revenue forgone appropriations for all classes reduced proportionately—Fiscal year 1983]

| | Current rates effective July 28, 1982 | Rates at total revenue forgone appropriation of (millions): | |
|---|---|---|---|
| | | $708 | $500 |
| Second-class publications: | | | |
| In county: Rural newspaper—Frequency: weekly; weight: 4 ounces; advertising: 50 percent; all delivered in county; presorted to 5 digits | 3.4¢ | 3.8¢ | 4.7¢ |
| Nonprofit: Veteran's Magazine—Frequency: monthly; weight: 4 ounces; advertising: 20 percent; New York to Chicago; presorted to 5 digits | 6.0¢ | 6.9¢ | 8.2¢ |

## COMPARATIVE PHASED POSTAL RATES FOR ILLUSTRATIVE MAILINGS—Con.

[Adjusted for appropriation shortfall. Revenue forgone appropriations for all classes reduced proportionately—Fiscal year 1983]

| | Current rates effective July 28, 1982 | Rates at total revenue forgone appropriation of (millions): | |
|---|---|---|---|
| | | $708 | $500 |
| Second-class publications—Con. | | | |
| Classroom: Classroom Publication—Frequency: Weekly; weight: 12 ounces; advertising: 15 percent; New York to Chicago; 32 copies per piece | 6.4¢ | 6.8¢ | 8.4¢ |
| Science of agriculture: Rural Agricultural Newspaper—Frequency: weekly; weight: 4 ounces; advertising: 50 percent; within 150 miles of entry; presorted to 5 digits | 8.3¢ | 8.4¢ | 8.5¢ |
| Under 5,000 copies: Newspaper—Frequency, weekly; weight: 4 ounces; advertising: 50 percent; within 150 miles of entry; presorted to 5 digits | 6.7¢ | 7.3¢ | 8.2¢ |
| Third-class nonprofit: | | | |
| Fund-raising letter—Weight: ¾ ounce; nationwide distribution; presorted to 5 digits | 4.0¢ | 4.4¢ | 5.4¢ |
| Required presort | 4.9¢ | 5.3¢ | 6.4¢ |
| Fourth-class library rate: Book between libraries—Weight: 2 pounds; New York to Chicago | .43¢ | .48¢ | .58¢ |

### PUBLIC SERVICE SUBSIDY

The Committee notes that the payment to the Postal Service fund for public service costs provides direct Government support for programs specified in the Postal Reorganization Act of 1970. Appropriations for public service were initially authorized by Congress in the act of 1970 to provide for "a maximum degree of effective and regular postal services nationwide, in communities where post offices may not be deemed self-sustaining, as elsewhere." Although the Committee has not recommended an appropriation in fiscal 1983 to cover public service costs, it does not indicate a retreat by the Committee from its historic position that the public service subsidy is an essential ingredient in helping to maintain postal services such as 6-day delivery, door-to-door delivery, corner box collection, and small post office operations in small and rural communities where mail delivery is particularly important to their citizens. Nor should the Committee's actions in any way reflect on its consideration of public service subsidy requirements in future years. The Committee has consistently supported an appropriate public service subsidy and will view any future proposal not to fund or to eliminate the public service subsidy with great reservation and concern. The Committee recognizes the rigid fiscal restraints that have been imposed on the Postal Service and other Federal entities for fiscal 1983 by the administration. Nevertheless, during a more stable economic environment, the Committee would be sympathetic to considering to continue funding the public service subsidy at levels that will assure the maintenance of essential services, including 6-day delivery and keep small post offices operational.

### REVOLVING FUND

The Committee was appalled at the replies by the USPS to questions concerning its handling of the revolving fund. The Postal Service has ignored congressional instructions to the point of being in contempt. Therefore, the Committee instructs the Postal Service to immediately infuse $1,000,000 of funds appropriated herein into the revolving fund and bring all accounts up to date forthwith.

U.S. corporate citizens are suffering financial difficulties and should not be needlessly penalized by the lack of attention on the part of the USPS to collecting moneys owed from foreign countries, and from its failure to offset funds to the revolving fund when the USPS is in a debtor position. Instances have been cited where the Postal Service has received bills from U.S. corporations and held them for several months before billing the foreign countries. Failure to make serious attempts to collect these funds, as well as failure to turn these bills over to the State Department for collection, has resulted in an undue burden upon the private sector and must be rectified immediately. The USPS has the responsibility for collecting the moneys due from foreign countries for carrying international mail and must bear the responsibility for its failure to do so. Henceforth, the Postal Service shall report quarterly to this Committee on the status of the revolving fund.

The Committee has included language in the bill that would prohibit the Postal Service from closing or consolidating small rural or other small post offices or curtailing 6-day delivery or other current postal services in fiscal year 1983. During his appearance before the Committee, the Postmaster General testified that he would have no objection to such bill language covering fiscal year 1983. He also testified that rural post offices are needed and that he was trying to find ways to make them more productive. He also told the Committee that 6-day delivery was still needed. Nevertheless, the Committee believes that despite these assurances from the Postmaster General, the bill language recommended would guarantee that small communities and the general public would be able to plan on continuation of current postal services at existing postal service facilities in the coming fiscal year.

The Committee has also included language in the bill that would preclude the mandatory implementation of 9-digit ZIP code in fiscal year 1983.

The term "mandate the implementation" includes: any advertising or publicity program concerning ZIP code expansion for the purpose of encouraging the general public to use expanded ZIP codes; general or special mailings for the purpose of providing postal patrons with specific ZIP codes; and the provision of any reduced rate for ZIP codes longer than 7 digits.

The Committee has included language in the bill that would assure that the Postal Service acts promptly to adjust rates to make up for any revenue forgone appropriation shortfall, so that last year's delays and the resulting need for a mid-year supplemental should not recur. Second, it would limit the adjustment to the preferred-rate categories under section 3626 of title 39, to assure that free mail for the blind and free mail for overseas voting will not be affected.

# TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT

## FUNDS APPROPRIATED TO THE PRESIDENT

### COMPENSATION OF THE PRESIDENT

| | |
|---|---|
| 1982 appropriation to date | $250,000 |
| 1983 budget estimate | 250,000 |
| House allowance | 250,000 |
| Committee recommendation | 250,000 |

The fiscal year 1983 budget request for compensation of the President is $250,000. This amount includes $200,000 for the direct salary of the President as authorized by 3 U.S.C. 102, and a $50,000 expense account for official expenses, with any unused portions reverting to the Treasury. This expense account is not considered as taxable to the President.

The Committee concurs with the House in recommending the full budget request of $250,000 for compensation of the President.

## OFFICE OF ADMINISTRATION

| | |
|---|---|
| 1982 appropriation to date | $11,911,660 |
| 1983 budget estimate | 13,640,000 |
| House allowance | 12,500,000 |
| Committee recommendation | 12,906,000 |

The Committee recommends an appropriation of $12,906,000. This amount is $406,000 over the House level.

The Office of Administration was created in 1977 under Reorganization Plan No. 1 and Executive Order 12028. The purpose of the Office of Administration is to provide common, centralized administrative support to all of the organizations in the Executive Office of the President (EOP). There will be 12 agencies in the EOP in 1983 and the services which OA will provide to those organizations include personnel management, financial management, office services and operations, information and records management, and data processing.

## THE WHITE HOUSE OFFICE

| | |
|---|---|
| 1982 appropriation to date | $19,652,440 |
| 1983 budget estimate | 22,164,000 |
| House allowance | 21,300,000 |
| Committee recommendation | 21,300,000 |

The Committee recommends an appropriation of $21,300,000 for the White House Office.

These funds provide the President with staff assistance and provide administrative services for the direct support of the President. Public Law 95-570 authorized appropriations for the White House Office and codified the activities of the White House Office.

### EXECUTIVE RESIDENCE AT THE WHITE HOUSE

| | |
|---|---|
| 1982 appropriation to date | $3,650,020 |
| 1983 budget estimate | 3,878,000 |
| House allowance | 3,800,000 |
| Committee recommendation | 3,800,000 |

The Committee recommends an appropriation of $3,800,000 for the Executive Residence at the White House.

These funds provide for the care, maintenance, and operation of the Executive Residence. The personnel funded from this account include cooks, gardeners, and other personnel involved in the day-to-day operation of the Executive Residence.

The reduction below the budget estimate should be applied to lower priority projects and activities in fiscal year 1983.

### OFFICIAL RESIDENCE OF THE VICE PRESIDENT

| | |
|---|---|
| 1982 appropriation to date | $177,600 |
| 1983 budget estimate | 281,000 |
| House allowance | 275,000 |
| Committee recommendation | 275,000 |

The Committee recommends an appropriation of $275,000 for the Official Residence of the Vice President, $6,000 below the fiscal 1983 budget request.

This appropriation provides for the purchase, lease, and operation of appropriate equipment, furnishings, improvements, alterations, maintenance, repairs, services, and other provisions as may be required under the supervision of the Vice President to enable him to perform and discharge appropriately the duties, functions, and obligations associated with his office. The appropriation also includes $64,000 for official entertainment expenses of the Vice President.

The fiscal year 1983 appropriation of $275,000 will provide for the continuous day-to-day habitability, upkeep, and operational services of the Vice Presidential residence. The funds recommended by the Committee will also allow for exterior preparation and painting of the residence ($85,000) and upgrading of the kitchen facilities ($39,000).

### SPECIAL ASSISTANCE TO THE PRESIDENT

| | |
|---|---|
| 1982 appropriation to date | $1,433,440 |
| 1983 budget estimate | 1,483,000 |
| House allowance | 1,475,000 |
| Committee recommendation | 1,475,000 |

The Committee recommends an appropriation of $1,475,000 for special assistance to the President.

This appropriation is to provide for a staff for the Vice President to carry out his executive branch functions and to enable the Vice President to provide assistance to the President. This assistance takes the form of directed and special Presidentially assigned functions.

The Vice President serves as a member of the President's Cabinet and acts as Chairman when the President is absent (designated by the President) and he serves as Vice Chairman of the National Security Council (designated by the President) (member of NSC—National Security Act of 1947); he is also an advisor to the President on issues and national problems and assists the President in ceremonial functions and in the conduct of international affairs. The Vice President also has a staff funded by the Senate for his duties in the legislative branch.

The small reduction below the budget estimate should be applied to lower priority functions next year.

## COUNCIL OF ECONOMIC ADVISERS

| | |
|---|---|
| 1982 appropriation to date | $1,985,420 |
| 1983 budget estimate | 2,115,000 |
| House allowance | 2,100,000 |
| Committee recommendation | 2,100,000 |

The Committee recommends an appropriation of $2,100,000 for salaries and expenses of the Council of Economic Advisers.

The Council of Economic Advisers analyzes the national economy and its various segments, advises the President on economic developments, recommends policies for economic growth and stability, appraises economic programs and policies of the Federal Government, and assists in preparation of the annual Economic Report of the President to Congress.

The small reduction below the budget request should be applied to lower priority activities.

## OFFICE OF POLICY DEVELOPMENT

| | |
|---|---|
| 1982 appropriation to date | $2,603,900 |
| 1983 budget estimate | 2,653,000 |
| House allowance | 2,600,000 |
| Committee recommendation | 2,600,000 |

The Committee recommends the budget request of $2,600,000 for the Office of Policy Development.

The Office of Policy Development is charged with advising and assisting the President in the formulation, evaluation, and coordination of national domestic policy. The Office of Policy Development has the central role in formulation of domestic policy and is responsible for coordinating and supporting the Cabinet Councils and for supporting the President's Economic Policy Advisory Board. The budget request for the Office of Policy Development also provides for the staff of the closely related activities; planning and evaluation (five positions) and Cabinet administration (four positions).

The small reduction of $53,000 below the budget request should be applied to lower priority activities in fiscal year 1983.

## NATIONAL SECURITY COUNCIL

| | |
|---|---|
| 1982 appropriation to date | $3,556,540 |
| 1983 budget estimate | 3,976,000 |
| House allowance | 3,900,000 |
| Committee recommendation | 3,900,000 |

The Committee recommends an appropriation of $3,900,000 for the salaries and expenses of the National Security Council.

The primary purpose of the Council is to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security. Subject to direction by the President, it is the responsibility of the Council to assess and appraise the objectives, commitments, and risks of the United States in relation to actual and potential military power, to consider policies on matters of common interest to the departments and agencies of the Government, and to make recommendations and other reports to the President.

The reduction of $76,000 below the budget estimate should be applied to lower priority Council activities and functions next year.

## OFFICE OF MANAGEMENT AND BUDGET

| | |
|---|---|
| 1982 appropriation to date | $33,521,580 |
| 1983 budget estimate | 36,109,000 |
| House allowance | 33,000,000 |
| Committee recommendation | 33,000,000 |

The Committee recommends an appropriation of $33,000,000, a reduction of $3,109,000 below the fisical year 1983 budget request.

This Office of Management and Budget assists the President in the discharge of his budgetary, management, and other executive responsibilities. The Office performs the function of assisting the President in the preparation and execution of the Federal budget. The Office also provides the President with an institutional staff capability in executive management—particularly in program evaluation and coordination, Government organization, and information and management systems.

Of the amount recommended by the Committee, no reductions should be made in the funding set aside for the salaries and expenses and positions targeted for the President's Council on Integrity and Efficiency.

The Committee has received evidence of abuses of the fly America law by U.S. Government employees resulting in both higher costs to the Government and in lost revenues to U.S. international air carriers. The OMB is directed to examine the policies and procedures of the various departments and agencies and take remedial measures to prevent any further abuses and penalize those individuals and agencies failing to comply with the regulation.

Finally, the Committee directs OMB to henceforth refrain from interfering in the law enforcement activities of the U.S. Customs Service, the Secret Service, and BATF. The Committee is not going to permit an auditor, accountant, or manager from OMB to substitute his judgment for that of an experienced law enforcement officer.

The reduction of $3,109,000 below the budget estimate should be applied by the Director of OMB to lower priority activities and object classifications that will not impinge on those primary responsibilities of OMB.

## OFFICE OF FEDERAL PROCUREMENT POLICY

| | |
|---|---|
| 1982 appropriation to date | $2,428,840 |
| 1983 budget estimate | 2,486,000 |
| House allowance | 2,400,000 |
| Committee recommendation | 2,400,000 |

The Committee recommends an appropriation of $2,400,000 for the Office of Federal Procurement Policy.

The Office of Federal Procurement Policy is responsible for promoting economy, efficiency, and effectiveness in the procurement of property and services by and for the executive branch.

The Office of Federal Procurement Policy funds the Federal Acquisition Institute to serve as the interagency focal point for promoting and coordinating Government-wide planning, development, implementation, and evaluation of programs in procurement, research, education and training, and career development.

The small reduction of $86,000 below the budget estimate should be applied to lower priority Office activities and functions in fiscal year 1983.

## PROPERTY REVIEW BOARD

| | |
|---|---|
| 1982 appropriation to date | ................ |
| 1983 budget estimate | $445,000 |
| House allowance | 445,000 |
| Committee recommendation | 445,000 |

The Committee recommends an appropriation of $445,000 for the Property Review Board in fiscal year 1983, the same as the budget estimate.

Executive Order 12348 of February 25, 1982, established the Property Review Board (PRB) to improve management of Federal real property.

The Board develops and reviews Federal real property acquisition, utilization, and disposal policies with respect to its relationship to other Federal policies. It also reviews conflicting claims on, and alternate uses for, any property described in surveys and reports made by or to the Administrator of General Services.

In addition, the Board is tasked with establishing for each executive agency annually the target amount of its real property holdings to be identified as excess.

Additionally, as deemed appropriate, the Board advises the President by submitting recommendations and reports.

The appropriation recommended by the Committee will fund a total staff of six permanent full-time positions.

## UNANTICIPATED NEEDS

| | |
|---|---|
| 1982 appropriation to date | $844,800 |
| 1983 budget estimate | 1,000,000 |
| House allowance | 1,000,000 |
| Committee recommendation | 1,000,000 |

The Committee recommends an appropriation of $1,000,000 for unanticipated needs, the full amount of the fiscal 1983 budget request.

These funds enable the President to meet unanticipated needs in furtherance of the national interest, security, or defense. In calendar year 1981 allocations were made as follows:

| | |
|---|---|
| United States-Japan Economic Relations Group | $65,000 |
| President's Commission for a National Agenda for the Eighties | 100,000 |
| Commission on Executive, Legislative, and Judicial salaries | 58,000 |

To date in calendar year 1982, allocations of $50,000 have been made to the Department of State.

# TITLE IV—INDEPENDENT AGENCIES

## ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

| | |
|---|---|
| 1982 appropriation to date | $1,103,200 |
| 1983 budget estimate | 1,339,000 |
| House allowance | 1,100,000 |
| Committee recommendation | 1,100,000 |

The Committee recommends an appropriation of $1,100,000 for the Administrative Conference of the United States.

The Conference is authorized on a permanent basis to assist the President, the Congress, the administrative agencies, and executive departments in improving existing administrative procedure, including achievement of needed regulatory reform. It is responsible for conducting studies of the efficiency, adequacy, and fairness of present procedures by which the Federal administrative agencies and executive departments determine the rights, privileges, and obligations of private persons. On the basis of such studies, the Conference issues formal recommendations for improvements and then encourages implementation of the recommendations through appropriate agency, congressional, or judicial action.

In addition to its research activities, the Conference also arranges for the interchange among administrative agencies of information useful in improving administrative procedures; collects, tabulates, analyzes, and publishes statistics from administrative agencies to identify and correct delays and other problems in the administrative process; and, on an ongoing basis, furnishes assistance and advice on matters of administrative procedure to the agencies, Congress, and others.

In recommending a reduction of $239,000 below the budget estimate for the Conference, the Committee recommends that the Conference essentially hold all activities, including staffing, travel, and other personnel-related activities at fiscal year 1982 levels. However, the Committee directs that within the total appropriation approved for fiscal year 1983, no reductions be made in the funding or staffing for the implementation of the Equal Access to Justice Act.

## ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

| | |
|---|---|
| 1982 appropriation to date | $1,762,900 |
| 1983 budget estimate | 1,920,000 |
| House allowance | 1,900,000 |
| Committee recommendation | 1,900,000 |

The Committee recommends an appropriation of $1,900,000 for the Advisory Commission on Intergovernmental Relations.

The Commission is an independent, bipartisan body which attempts to identify and analyze the causes of intergovernmental conflicts, and recommends ways of strengthening and improving the American Federal system. The Commission includes representatives of the executive, legislative, and administrative branches of all levels of government—Federal, State, and local—as well as representatives of the general public.

In recommending a reduction of $20,000 below the budget estimate, the Committee recommends that a cut of $25,000 be taken in special personal services pay, where an increase of $25,000 over 1982 is being requested.

### ADVISORY COMMITTEE ON FEDERAL PAY

| | |
|---|---|
| 1982 appropriation to date | $184,320 |
| 1983 budget estimate | 204,000 |
| House allowance | 200,000 |
| Committee recommendation | 200,000 |

The Committee recommends an appropriation of $200,000 for the Advisory Committee on Federal Pay.

The Committee was appointed in accordance with the Federal Pay Comparability Act of 1970. The Committee assists the President in carrying out the policy of comparability in pay between major Federal statutory pay systems and private enterprise. The Committee reviews the annual report of the President's pay agent and considers the recommendations of representatives of Federal employees and other officials of the Federal Government. The Committee then prepares for the President an independent report with its findings and recommendations.

The Committee recommends that the small reduction below the budget request be applied to other services.

### COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

| | |
|---|---|
| 1982 appropriation to date | $543,160 |
| 1983 budget estimate | 653,000 |
| House allowance | 653,000 |
| Committee recommendation | 653,000 |

The Committee recommends the full budget request of $653,000 for the Committee for Purchase From the Blind and Other Severely Handicapped.

The Committee's primary objective is to increase the employment opportunities for the blind and other severely handicapped and, whenever possible, to prepare them to engage in normal competitive employment. The Committee determines which commodities and services are suitable for Government procurement from qualified nonprofit agencies serving the blind and other severely handicapped; publishes a procurement list of such commodities and services; determines the fair market price for commodities and services on the procurement list; and makes rules and regulations necessary to carry out the purposes of the act.

The Committee staff supervises the selection and assignment of new commodities and services, assists in establishing prices, reviews and adjusts these prices, verifies the qualifications of workshops, and monitors their performance.

### FEDERAL ELECTION COMMISSION

| | |
|---|---|
| 1982 appropriation to date | $9,174,400 |
| 1983 budget estimate | 9,880,000 |
| House allowance | 9,700,000 |
| Committee recommendation | 9,700,000 |

The Committee recommends an appropriation of $9,700,000 for the Federal Election Commission (FEC). This amount is $180,000 below the budget request.

The Commission monitors compliance with the law relative to limitations on campaign expenditures and political contributions to provide for public financing of Presidential nominating conventions and Presidential primary elections and for other purposes relative to Federal elections.

On September 1, 1981, the Federal Election Commission submitted to Congress and the Office of Management and Budget a budget request of $10,545,642 for fiscal year 1983 as a concurrent submission agency. The current budget request of $9,880,000 represents the President's final budget submission for the FEC and was submitted to the Congress in February 1982.

The Committee notes that nearly $200,000 of the Commission's proposed increase over fiscal year 1982 is attributable to increased travel (+$79,000), training (+$32,000), and printing (+$88,000). Much of this additional cost is associated with the Commission's plans to expand the number of seminars outside of Washington, D.C. to assist candidates, and to restore printing and training operations for programs deferred in fiscal year 1982 for budgetary reasons. The Committee acknowledges that in better, more stable economic times, these outreach programs and restored activities might be justified. However, during this period of rigid fiscal restraint the Committee believes that a significant portion of the $180,000 reduction below the budget request should be absorbed in travel, training, and printing activities.

The Committee is cognizant of the fact that the workload of the Commission will accelerate as the country draws closer to the primaries that precede the 1984 Presidential election. According to information received by the Committee, the major peak workload period will occur at the end of the coming fiscal year and the early part of fiscal year 1984. Section 437(c)(f)(3) of the Commission's enabling legislation provides: "In carrying out its responsibilities under this act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities of other agencies and departments of the United States. The heads of such agencies and departments may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request."

The Committee believes that during the peak workload of the Commission next year and in calendar year 1984, the Commission would benefit greatly by utilizing the expertise and assistance of the General Accounting Office in helping Commission staff to handle fair, equitable, nonpartisan auditing and review of campaign activities. Therefore, the Committee recommends the Commission to begin negotiations with the Comptroller General of the United States over the possible use of General Accounting Office auditors by the Commission in fiscal year 1984 to supplement the FEC work force. The Commission is directed to report to the Committee by no later than September 1, 1983, regarding progress made in this regard.

## General Services Administration

### Federal Buildings Fund—Limitations on Availability of Revenue

#### CONSTRUCTION AND ACQUISITION OF FACILITIES

| | |
|---|---|
| 1982 appropriation to date | ($71,492,000) |
| 1983 budget estimate | (68,415,000) |
| House allowance | (67,915,000) |
| Committee recommendation | (56,303,000) |

The Committee recommends a limitation of $56,303,000 for construction and acquisition of facilities in fiscal year 1983 which is $12,112,000 below the budget estimate.

Under this account, space is acquired through direct federally financed construction of facilities, the extension of existing buildings, and direct purchasing of existing facilities. All costs directly attributable to Federal buildings fund construction projects for site acquisition, design, management and inspection, and construction are financed under this activity.

Projects approved by the Senate Public Works Committee have been added to the House bill. Included are funds to permit the General Services Administration to enter into purchase options beneficial to the Government to permit acceleration of moves from leased to Government-owned office space.

The Committee approves the following projects:

New construction—Alabama: Birmingham, courthouse, $29,591,000. District of Columbia, Federal Triangle (preliminary design), $3,500,000; and construction projects, less than $500,000, $1,000,000.

Purchase: Acquisition and improvement of U.S. Postal Service properties, $8,098,000; and other selected purchases including options to purchase, $14,114,000.

#### REPAIRS AND ALTERATIONS

| | |
|---|---|
| 1982 appropriation to date | ($198,581,000) |
| 1983 budget estimate | (257,400,000) |
| House allowance | (224,439,300) |
| Committee recommendation | (203,032,000) |

The Committee recommends $203,032,000 for repairs and alterations in fiscal year 1983 which is $54,368,000 below the budget estimate.

Under this activity, the General Services Administration (GSA) executes its responsibility for repairs and alterations of both Government-owned and leased facilities under the control of GSA.

The major goal of this activity is to provide commercially equivalent space to tenant agencies. Therefore, the state of repair, appearance, and operating efficiency of facilities are given primary consideration in carrying out this responsibility. A major portion of the fiscal year 1983 program is devoted to the basic work necessary to meet this goal and to keep the buildings in an occupiable condition. In addition, retrofit projects which will result in GSA-controlled, Government-owned buildings being more energy efficient are emphasized. Continued emphasis is being placed on the recycling of vacant and underutilized Government-owned space for occupancy.

Only those prospectus projects approved by the Senate Public Works Committee are recommended in the Senate bill.

The Committee recommends the following projects in the bill:

Alaska: Anchorage, Federal building, courthouse, $6,968,000.

Arizona: Phoenix, Federal building, courthouse, $1,724,000.

Arkansas: Little Rock, post office, courthouse, $1,570,000.

California: San Diego, Federal building, courthouse, $2,998,000.

Colorado: Denver, Federal center, $10,087,000; and Federal building, courthouse, $2,404,000.

District of Columbia: Auditors, $656,000; Interior, $602,000; Liberty Loan Building, $4,460,000; Pension Building, $1,750,000; and west heating plant, $2,190,000.

Florida: Miami, post office, courthouse, $1,400,000.

Georgia: Atlanta, court of appeals, $7,702,000; Federal annex, $653,000.

Indiana: Lafayette, post office, courthouse, $1,300,000; and South Bend, post office, courthouse, $5,511,000.

Maryland: Baltimore, Middle River, $2,864,000.

Michigan: Detroit, Federal building, courthouse, $2,849,000.

Missouri: St. Louis, building No. 110, $6,113,000.

New Jersey: Bayonne, $1,905,000.

North Carolina: Asheville Grove Arcade, $550,000.

Ohio: Cincinnati, post office, courthouse, $2,636,000.

Oregon: Portland, new courthouse, $2,999,000.

Puerto Rico: Hato Rey, Federal building, courthouse, $3,133,000.

Texas: Dallas, terminal annex, $7,997,000.

Utah: Ogden, Internal Revenue Service, $2,779,000.

Virginia: Alexandria, Hybla Valley, $1,627,000; Alexandria, post office, courthouse, $1,550,000; and Norfolk, post office, courthouse, $6,094,000.

Washington: Seattle, courthouse, $1,623,00; and Yakima, Federal building, post office, $1,338,000.

## PURCHASE CONTRACT PAYMENTS

| | |
|---|---|
| 1982 appropriation to date | ($161,725,000) |
| 1983 budget estimate | (159,971,000) |
| House allowance | (159,971,000) |
| Committee recommendation | (159,971,000) |

The Committee recommends a limitation of $159,971,000 for purchase contract payments.

Both the Public Buildings Purchase Contract Act of 1954 and the Public Buildings Amendments of 1972 enabled GSA to enter into contractual arrangements for the construction of a backlog of approved but unfunded projects. These purchase contracts require the Government to make periodic payments on the facilities over varying periods until title is vested with the Government. This activity provides for the payment of principal, interest, taxes, and other required obligations related to facilities acquired or to be acquired pursuant to both the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356) and the Public Buildings Amendments of 1972 (40 U.S.C. 602a).

RENTAL OF SPACE

| | |
|---|---|
| 1982 appropriation to date | ($722,439,000) |
| 1983 budget estimate | (770,000,000) |
| House allowance | (770,000,000) |
| Committee recommendation | (722,439,000) |

The Committee concurs with the House and recommends a limitation of $722,439,000 for rental space.

The General Services Administration is responsible for all functions of leasing general purpose space and land incident thereto for Federal agencies, except for cases where GSA has delegated its leasing authority (e.g., the Departments of Agriculture, Commerce, and Defense may lease their own space under certain circumstances). GSA's basic policy is to lease privately owned buildings and land only when Federal space needs cannot be otherwise accommodated satisfactorily in existing Government-owned or leased space; when leasing proves to be more efficient than the construction or alteration of a Federal building; when construction or alteration is not warranted because requirements in the community are insufficient or are indefinite in scope or duration; or when completion of a new Federal building within a reasonable time cannot be assured.

The primary purpose of the Federal Buildings Fund is to make agencies responsible for the costs of the space which they occupy, and thus, cognizant of the need for significant economies in space use. to encourage such awareness, GSA has intensified its efforts to improve space utilization through issuance of guidelines for establishment of agency-managed utilization programs, through the development of new space allocation standards for each agency, and through the establishment of the space planning program to assist the agencies in their space assignment planning.

The Committee has recommended holding the limitation for rental of space within the Federal Buildings Fund to fiscal year 1982 levels. The Committee believes that the agency should be able to accommodate this 7-percent cut in the budget estimate by accelerating its efforts to reduce non-Government-owned office space and to cut the average square footage for each Federal employee in fiscal year 1983. Furthermore, the Committee notes that the authority to shift funds between Federal buildings fund accounts, with prior approval from the Committee, could be exercised to accommodate any shortfalls that might occur in this account. The Committee expects to be kept fully apprised of the agency's effort to reduce office space and cut the Government's overall rental bill in the next fiscal year.

The Committee notes that in many cases for many various reasons, Federal agencies are reluctant to leave leased space and move into Government-owned space. The Committee believes that GSA and the administration should take appropriate action to insure that, to the extent possible, all Government-owned space is filled before allowing agencies to stay in leased space.

### COMMITTEE DIRECTIVE: SPACE UTILIZATION STANDARDS

The Committee commends the Administrator of the General Services Administration for his efforts to not only quantify the amount of office space being used by Federal employees, but to begin the process of reducing the amount of office space used by Government agencies, including the General Services Administration. The Committee hopes that he will accelerate this effort to reduce Federal office space, particularly leased office space which is substantially more expensive than Government-owned space.

To enhance the initiative taken by the Administrator, the Committee directs the Administrator of the General Services Administration and the Office of Management and Budget to establish new space utilization standards, criteria, and guidelines that will create a Government-owned space utilization standard of 135 square feet per Federal employee. This new Government-wide standard for space utilization would then be the criteria used for assigning office space to Federal agencies and the criteria for establishing the standard level user charges for all Government agencies and departments.

The current space utilization level is estimated to be approximately 170 to 175 square feet per employee. It is estimated that as much as $100,000,000 per year could be saved if the more rigid space utilization standard were implemented and used as the basic criteria for assigning office space to Federal agencies. For example, if an agency had 100 employees onboard as of September 30, 1981, they would be assigned 13,500 square feet of workspace, to be divided up among the employees at the discretion of the agency managers. This would force an agency to make the tough, management decisions about the allocation of office space among the various workstations, from management to clerical workers, based on the mission of the agency and with the cost of office space in mind.

The Committee believes that the establishment of a "per employee" space utilization standard is a responsible way to reduce office space Government-wide without seriously jeopardizing the mission of the affected agencies. Agencies that already meet or exceed the new standard would not be affected by the new standard, while those agencies that have excessive or mismanaged office space would be forced to revise their office space requirements. The Committee directive would also, perhaps for the first time, force the agencies to seriously evaluate their office space needs and cut back on unneeded space.

Therefore, the Committee directs GSA and OMB to work cooperatively in establishing this Government-wide space utilization standard, using Federal employee work force levels as of September 30, 1981, as a baseline or benchmark for initiating this standard. The Committee expects to receive regular, periodic reports from the Administrator of GSA and the Director of OMB as to their progress in developing this standard and expects the standard to be in place and applicable to space requirements and standard level user charges for fiscal year 1984. The Committee stands prepared to offer whatever assistance may be required in carrying out this important project.

### REAL PROPERTY OPERATIONS

| | |
|---|---|
| 1982 appropriation to date | ($626,346,000) |
| 1983 budget estimate | (676,524,000) |
| House allowance | (676,524,000) |
| Committee recommendation | (626,346,000) |

The Committee recommends a limitation of $626,346,000 for real property operations.

This activity provides for the operation of all Government-owned facilities under the jurisdiction of GSA and for building services in leased space in the GSA inventory where the terms of the lease do not require the lessor to furnish such services.

Services included in building operations are cleaning, protection, maintenance, payments for utilities, fuel, and other miscellaneous activities such as grounds maintenance, elevator operations, and day-to-day servicing of tenants' needs. The space, operations, and services referred to above are furnished by GSA to its tenant agencies in return for payment of the standard level user charge, just as in the private sector tenants pay rent for space and services provided by lessors.

In addition, this activity provides contractual expertise to meet the needs of the Public Buildings Service by administering major contracts and reviewing all PBS contracts to assure compliance with Federal procurement and GSA regulations.

The Public Buildings Service is responsible for furnishing building services in GSA-operated facilities including cleaning, protection, elevator operations, mechanical and electrical operation and maintenance, heating and air-conditioning, and other servicing of structural compo-nents and grounds maintenance.

The Committee has recommended holding the limitation for real property operations within the Federal Buildings Fund to fiscal year 1982 levels. The Committee believes that the agency should be able to accommodate this 8-percent cut below the budget estimate by improving productivity and contracting procedures in the real property management and operations areas. Furthermore, the Committee notes that the authority to shift funds between Federal Buildings Fund accounts, with prior approval from the Committee, could be exercised to accommodate any shortfalls that might occur in this account. The Committee expects to be kept fully apprised of the agency's efforts to improve real property operations management in the coming fiscal year.

### GREENVILLE, S.C. FEDERAL BUILDING AND COURTHOUSE

As indicated in Senate Report 97–516, accompanying the Supplemental Act, 1982, the Committee has concerns about the proposal of the General Services Administration to contract out custodial activities of the Greenville, S.C. Federal Building and U.S. Courthouse. The Committee continues to be concerned about this proposal and directs that the custodial functions at the Greenville building not be contracted out.

### PROGRAM DIRECTION

| | |
|---|---|
| 1982 appropriation to date | ($91,607,000) |
| 1983 budget estimate | (95,791,000) |
| House allowance | (95,791,000) |
| Committee recommendation | (91,607,000) |

The Committee recommends the budget request of $91,607,000 for program direction.

This activity provides for the overall general management, long- and short-range planning, and administration of all programs which are the responsibility of the Public Buildings Service. In addition, this activity finances the costs of management and administration of each of the individual activities of the Federal Buildings Fund including construction, repairs and alterations, purchase contract payments, rental of space, and real property operations. It further provides for the costs of essential supporting services for these activities which are funded on a centralized basis.

The Committee has recommended holding the limitation for program direction within the Federal Buildings Fund to fiscal year 1982 levels. The Committee believes that the agency should be able to accommodate this small percentage cut below the budget estimate by improving productivity and reducing low-priority administrative expenses.

This activity supports all Public Buildings Service personnel-related costs incident to the direct Federal Buildings Fund programs, with the exception of those costs incurred by employees engaged in the day-to-day operation, maintenance, and protection of facilities, which are reflected in the real property operations activity. The program direction activity finances personnel and other related support costs pertaining to (1) construction management services in support of the repairs and alterations and construction activities; (2) acquisition of leased space, and assignment and utilization of space in support of the real property operations and rental of space activities; and (3) long- and short-range planning and general overall management supervision for all activities of the Federal Buildings Fund.

### STANDARD LEVEL USER CHARGE

The Committee has not concurred with the House language that would prohibit the General Services Administration from increasing the standard level user charges above the fiscal year 1982 level. Such a reduction in SLUC would be a false economy and create a substantial revenue shortfall in the Federal Buildings Fund in fiscal year 1983. The

General Services Administration is directed to continue full service under this limitation as in the past.

## OPERATING EXPENSES, PERSONAL PROPERTY

### OPERATING EXPENSES

| | |
|---|---|
| 1982 appropriation to date | |
| 1983 budget estimate | $91,731,000 |
| House allowance | |
| Committee recommendation | |

The Committee has concurred with the House in not recommending a new appropriation account as requested in the budget for operating expenses, personal property, because legislation authorizing industrial funding was rejected by the Congress. The Committee has concurred with the House in continuing funding for these activities under separate accounts.

The appropriation would have provided for management of supplies, property management, and procurement support for a worldwide supply system; direction and coordination of Government-wide transportation and travel management, management of motor equipment and public utilities, the audit of Government transportation bills, the processing of transportation claims by and against the U.S. Government; and the management, procurement, and utilization of automatic data processing, telecommunications, and office information equipment and services. This new appropriation would have replaced the former appropriations "Operating Expenses, Federal Supply Service", "Operating Expenses, Transportation, and Public Utilities Service", and "Operating Expenses, Automated Data and Telecommunications Service."

## FEDERAL SUPPLY SERVICE

### OPERATING EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $118,256,000 |
| 1983 budget estimate | |
| House allowance | 135,142,000 |
| Committee recommendation | 135,142,000 |

The Committee recommends an appropriation of $135,142,000 for operating expenses of the Federal Supply Service.

This appropriation provides for Government-wide management of supplies and personal property and operating the worldwide supply system.

1. Supply. A national supply distribution system of wholesale distribution facilities is managed and operated through which commercial-type commodities are received, stored, and issued on a worldwide basis to Federal agencies. Supplies are shipped by the wholesale operation to customer agencies from GSA supply distribution facilities located in each of the 11 GSA regions and the fuel yard located in Washington, D.C. This office is responsible for the inventory management program of the Federal Supply Service.

Administrative, office and maintenance supplies, and standard forms are provided to Federal agencies through self-service retail facilities located wherever there is a concentration of Federal activities. This activity also manages and operates programs for processing and control of agency requisitions.

2. Contracts. Contracting responsibility for commercial-type items required by Federal agencies and other authorized users of the Federal Supply Service system is provided in this area. In addition to contracting and purchasing, the Contracts activity selects commodities for inclusion in the stores, nonstores, and Federal supply schedules programs by determining the method of supply that is most economical and effective.

3. Programs and Requirements. This activity provides for determining customer agency requirements, engineering, and technical support relative to the FSS mission, and operates the civil agency catalog activity toward the goal of the uniform procurement system. This activity also manages and operates programs for commodity management and logistics data systems. Qualitative requirements for commodities are reflected in Federal specifications, standards, and commercial item descriptions (CID's) for use in procurement.

This activity also manages and operates the customer liaison program to increase the scope of supply and procurement support rendered by the Federal Supply Service to other Federal agencies. Property management is responsible for the assurance of effective property management in the Federal Government which includes validity of agencies' requirements, property inventory control, and accountability systems.

4. Contract Management. This program assures that vendors fully meet all the terms and conditions of contracts, and that the quality of materials purchased complies with the requirements of those contracts.

The need for these resources is predicated on the decision by the Committee and the other appropriate authorizing committees of the Congress not to approve the administration's request to institute a concept called industrial funding in fiscal year 1983. This concept would call for recovery of costs from GSA customers through the general supply fund by charging agency customers not only the cost of the product but the cost of the personnel and other overhead associated with that product. This new concept would require new legislation, legislation that has not been approved by the Congress. Therefore, the Committee, in recognition of this fact, has concurred with the House in providing $100,891,000 to cover the cost of personnel for the Federal Supply Service; $45,271,000 for supply; and a reduction of $10,000,000 in the budget request for depot modernization. An additional cut of $1,020,000 would be applied to this account to bring the total funding for Federal Supply Service operating expenses to the House-passed level of $135,142,000.

GENERAL SUPPLY FUND

| | |
|---|---|
| 1982 appropriation to date | |
| 1983 budget estimate | $15,000,000 |
| House allowance | |
| Committee recommendation | |

The Committee denies the budget request for capitalization of the General Supply Fund.

The General Supply Fund finances, on a reimbursable basis, a national supply depot system and a system of ordering supplies for direct delivery to agencies, and a nationwide system of interagency motor pools. For supply operations, supplies and services are sold from the fund to other agencies and the District of Columbia at cost plus related operating expenses not provided for under the appropriation operating expenses, Federal Supply Service. Beginning in fiscal year 1983, legislation has been proposed to permit payment and recovery of direct supply system operating costs through the General Supply Fund—previously financed through operating expenses, Federal Supply Service Appropriation. Also financed by the fund is the GSA administrative equipment program. The personal property rehabilitation and redistribution program is being terminated in 1982.

An appropriation of $15,000,000 is being requested in fiscal year 1983 to preclude any deterioration of the financial posture of the General Supply Fund as a result of the proposed conversion by GSA to industrial funding. It was estimated by the administration that this amount would be needed to cover the operating costs of the fund during the planned conversion from current General Supply Fund procedures to the new industrial funding concept. However, the Committee has concurred with the House in recommending that this budget request be denied in view of the failure of the Congress to enact the appropriate legislation necessary to implement industrial funding in fiscal year 1983. Therefore, since industrial funding will not take effect in fiscal year 1983, the need for the $15,000,000 request is vitiated. If enacted, industrial funding would allow GSA to add certain costs of contracting, procurement, inspection, storage, management, distribution, and accountability to the prices charged Federal agencies for certain supplies and materials provided through various methods of supply utilized by the GSA Federal Supply System.

## TRANSPORTATION AND PUBLIC UTILITIES SERVICE

### OPERATING EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $15,170,360 |
| 1983 budget estimate | |
| House allowance | 16,330,000 |
| Committee recommendation | 16,330,000 |

The Committee recommends an appropriation of $16,330,000 for operating expenses of the Transportation and Public Utilities Service.

This appropriation provides for the direction and coordination of a comprehensive, Government-wide program for transportation and travel management, audit of all U.S. Government transportation bills, processing of transportation claims by and against the U.S. Government, operation and maintenance of motor equipment, public utilities to meet the requirements of Federal agencies, development and execution of the automotive procurement function of the Government, and the overall management of operations designed to provide specialized services to agencies in each of these fields.

The administration has proposed combining the Transportation and Public Utilities Service operating expense account into one large account entitled "Operating Expenses—Personal Property." This new account, if approved by the Committee, would also consist of Supply ($45,271,000); and Automated Data and Telecommunications ($27,663,000).

The Committee has concurred with the House in breaking out each of these accounts into separate budget accounts in this bill. The Committee sees no reason to consolidate these accounts under one appropriation account in fiscal year 1983. Therefore the Committee has recommended an appropriation of $16,330,000 for Transportation and Public Utilities Service operating expenses and provided within that total, an amount not exceeding $1,080,000 for contract audit payments. This would enable GSA to pay commerical audit firms to conduct all phases of transportation audits and to recover amounts owed the Government by transportation carriers hired by the Government. GSA is responsible for performing postpayment audits of transportation vouchers presented by carriers to Government agencies. In fiscal year 1981, over $12,000,000 in overcharges were identified by GSA in vouchers audited. However, resource constraints have resulted in an increasing backlog of items to be audited, causing the Government a delay in the recovery and use of the money owed to it. Language in the bill would allow GSA to contract out to commercial audit firms to perform these audits and help recover these overcharges.

## AUTOMATED DATA AND TELECOMMUNICATIONS SERVICE

### OPERATING EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $11,807,360 |
| 1983 budget estimate | ............ |
| House allowance | 27,663,000 |
| Committee recommendation | 27,663,000 |

The Committee recommends an appropriation of $27,663,000 for operating expenses of the Automated Data and Telecommunications Service.

This appropriation provides for the direction and coordination of a comprehensive Government-wide program for the management, procurement, and utilization of automatic data processing and telecommunications equipment and services, development of Government-wide policy pertaining to ADP and telecommunications systems acquisition, management, and utilization, and the overall management of operations designed to provide specialized services to agencies in each of these fields.

Again, the Committee has concurred with the House in breaking out this account as a separate appropriation account, rather than consolidate it into a new account entitled, "Operating expenses, personal property." The level of funding proposed by the Committee is identical to the House-passed level for automated data and telecommunications service operating expenses and is identical to the level of funding proposed by the administration for ADTS in the requested consolidated account.

## NATIONAL ARCHIVES AND RECORDS SERVICE

### OPERATING EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $81,903,240 |
| 1983 budget estimate | 85,293,000 |
| House allowance | 87,644,000 |
| Committee recommendation | 86,000,000 |

The Committee recommends an appropriation of $86,000,000, an increase of $707,000 over the fiscal year 1983 budget request.

This appropriation provides for basic operations dealing with management of the Government's archives and records, operation of Presidential libraries, and grants for historical publications, and for the review for declassification of all security classified information as it becomes 20 years old.

In 1982, records in the National Archives and Federal Records centers will total approximately 16 million cubic feet. The number of reference services expected to be provided will total 24 million.

The National Historical Publications and Records Commission executes the national historical documents program for grants to State and local agencies and to nonprofit organizations and for allocation and preservation of source materials related to the history of the United States.

The Committee has provided additional resources over the administration's budget request and earmarked $3,000,000 in the bill in order to continue the national historical publications and records grant program in fiscal year 1983. The Committee believes that the grant program is important and should be funded at the $3,000,000 level next year. These grants are one of the only sources of support for historical publications and records work, supporting important historical publication projects at universities and historical organizations around the country. For example, the University of Wisconsin at Madison is deeply involved in preparing a definitive work on the history of the U.S. Constitution. Therefore, the Committee directs that the funds earmarked in the bill for continuation of the grant program shall be used solely for national historical publications and records grants in fiscal year 1983 and that none of the funds provided be used for other Archives activities.

The Committee believes that the budget cuts made for NARS in fiscal 1982 took a serious toll on the ability of the agency to perform its important functions. In fiscal year 1981, NARS was funded at a level of $88,900,000. This figure was not excessive; the Committee notes that for many years, the NARS budget had increased far more modestly than those of other cultural agencies in the Government, such as the Smithsonian and the Library of Congress. In fact, during the period from 1976 to 1981, the overall staff at the Archives had actually decreased by 1 percent, while requests to the Archives, fueled mainly by heightened interest among Americans in researching their family roots, increased by 80 percent.

Nevertheless, in the continuing resolution for fiscal year 1982, NARS' budget was reduced to $75,100,000. Significant personnel reductions followed; vital functions have been cut, both in terms of service to the public, maintenance and upgrading of archival facilities, and significant activities in the areas of preserving and accessing documents. In recent months, the Committee has twice demonstrated its concern for restoring some of the funding cut from NARS. In the urgent supplemental, in 1982 the Committee added $9,900,000 for NARS, including $3,000,000 for the NHPRC. In 1982, the Committee added $6,500,000 to the supplemental appropriation bill, and Congress agreed upon $4,100,000–$2,000,000 for NARS; $1,500,000 for NHPRC; and $600,000 for work on congressional records. The Committee believes that the recommended sum of $86,000,000 for fiscal year 1983 would continue the effort to restore NARS funding to the level needed for effective operation.

The Committee has reason to believe that the administrator of General Services is attempting to impose an additional across-the-board reduction in staffing of 6 percent throughout GSA, from the levels on board on July 31, 1982. The Committee strongly opposes this proposed staffing reduction with respect to NARS. There is no justification for further staffing reductions, particularly from a base of July 31, 1982, after Congress, since that date, has increased funding for NARS in the supplemental appropriation for fiscal year 1982, and this Committee has agreed that funding for NARS should be increased.

The Committee recommends an appropriation of $86,000,000 for fiscal year 1983 to help restore the agency's ability to discharge its functions effectively. Improved performance can realistically occur only if the level of trained, experienced personnel needed to staff the agency is restored. A further reduction in staffing would be totally inconsistent with the Committee's support for an enhanced Archives work force.

The Committee will monitor further staffing levels at NARS to insure that no further reductions are made, and that necessary increases in staffing which reasonably reflect the increased funding for NARS take place. Otherwise, the Committee will be forced to dictate specific employment staffing levels for NARS in future appropriations legislation.

No funds are included in the operating expenses, National Archives and Records Service appropriation for providing reproduction of records to Federal agencies. Agencies will be charged at cost in accordance with 44 United States Code 2112(c).

## FEDERAL PROPERTY RESOURCES SERVICE

### OPERATING EXPENSES

### (INCLUDING TRANSFER OF FUNDS)

| | |
|---|---|
| 1982 appropriation to date | $41,070,680 |
| 1983 budget estimate | 52,694,000 |
| House allowance | 50,000,000 |
| Committee recommendation | 50,000,000 |

The Committee recommends an appropriation of $50,000,000 for Federal property resources operating expenses.

This appropriation provides for acquisition, administration, and disposal of national defense stockpile inventories; administration and disposal of the Defense Production Act inventory; utilization and disposal of excess and surplus real and personal property, and rehabilitation of personal property in 1983.

The estimate for 1983 provides for storage, maintenance, and inspection of stockpile materials, disposal of those stockpile materials excess to objectives and the acquisition of materials needed to meet objectives, the appraisal of real and personal property, and continuing emphasis on reuse of existing real and personal property and the rehabilitation of personal property to extend its useful life.

### NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

| | |
|---|---|
| 1982 appropriation to date | [1] $57,600,000 |
| 1983 budget estimate | [2] 120,000,000 |
| House allowance (limitation) | [3] (120,000,000) |
| Committee recommendation | 320,000,000 |

[1] A direct appropriation was provided in fiscal year 1982.

[2] The budget estimate reflects a request for direct appropriations in fiscal year 1983.

[3] Reflects decision to place limitation on obligational authority rather than direct appropriation in fiscal year 1983.

The Committee recommends a direct appropriation of $320,000,000 for the national defense stockpile transaction fund.

The language in the bill for the national defense stockpile transaction fund provides new budget authority in the amount of $320,000,000 from moneys received in the fund from disposal sales of excess stockpile materials, to remain available until expended, for acquisition of strategic and critical materials and for transportation and other incidental expenses related to such acquisitions. The Committee has recommended a direct appropriation for the stockpile rather than the limitation on availability of revenues proposed by the House.

The Committee anticipates that the funds for stockpile acquisition will be used for the purchase of high-priority strategic and critical materials, such as titanium sponge, tantalum, and other strategic materials. The General Services Administration is also encouraged to make every effort to purchase titanium sponge from domestic sources to insure the maintenance of a strong and stable domestic titanium industry.

The Committee is concerned about the policies governing the disposal of commodities which are excess to stockpile needs, and the effects of these disposals on the operations of domestic producers of these materials.

The Committee notes, for instance, that GSA continues to offer to sell excess tungsten in annual amounts that exceed 50 percent of the domestic consumption, and is offering these large quantities despite major cutbacks in the domestic tungsten industry which ordinarily supplies about one-third of the amount annually consumed in the country. The Committee expects, at a minimum, that GSA should significantly reduce or temporarily suspend its offerings of tungsten in light of the depressed state of the market and domestic mine closures.

The Committee also understands that GSA offers to sell excess tungsten on terms and conditions which are more favorable to buyers—and less favorable to the Government—than the terms and conditions which are the normal practice in the industry. The Committee expects GSA to offer its sales on the same terms and conditions as are common in the industry in order to avoid market disruption.

In recommending an appropriation of $320,000,000, the Committee has approved the President's full request of $120,000,000 for his proposed strategic materials purchases, and earmarked a separate $200,000,000 appropriation solely for the purchase of domestic copper for the stockpile. The Committee emphasizes that the additional $200,000,000 over the President's budget will not impinge in any way on the priorities established by the administration in formulating its budget request of $120,000,000, nor is it the intent of the Committee to thwart the administration's efforts to purchase other strategic materials targeted for purchase with the budget request of $120,000,000.

The Committee believes that a rare opportunity exists in fiscal year 1983 to take advantage of currently depressed markets and purchase copper at bargain prices to address our strategic stockpile shortfalls in copper. Furthermore, the established national stockpile goal of 1 million tons of copper has not been reached, with only 30,000 tons currently on hand in the stockpile. The need to stockpile copper for strategic purposes for national security is firmly established and indisputable. Therefore, the Committee believes that it is important to take advantage of the unique opportunity to purchase copper for the strategic stockpile and has granted GSA authority to purchase copper with $200,000,000 set aside over and above the President's budget for such purchases in fiscal year 1983.

The Committee acknowledges the importance of tantalum in production of specialty metals. These metals are very important to defense production needs. Currently, our entire stock is imported. Should occasion arise when those supplies would be interrupted, the Nation would be faced with a serious problem. The Committee, therefore, directs that every consideration be given to fill current requirements with domestically produced tantalum.

### WILLIAM LANGER JEWEL BEARING PLANT REVOLVING FUND

| | |
|---|---|
| 1982 appropriation to date | ................ |
| 1983 budget estimate | $396,000 |
| House allowance | 396,000 |
| Committee recommendation | 396,000 |

The Committee recommends the full budget request of $396,000 for an additional capital investment in the Government-owned William Langer Jewel Bearing Plant in Rolla, N. Dak.

The William Langer Jewel Bearing Plant in Rolla, N. Dak., is the only facility of its kind in the United States which has the capability to produce all types of jewel bearings in quantity. The plant was established by the Department of Defense in 1953 and turned over to GSA in 1957. On January 1, 1970, financing of the operation was placed under a revolving fund, which was authorized by Public Law 90-469, approved August 8, 1968.

The plant produces jewel bearings for sale at fixed prices to Government agencies and their contractors and subcontractors for national defense purposes, and to GSA for the national defense stockpile. Mandatory source provisions are contained in the Federal procurement regulations and armed services procurement regulations in support of this operation. These provisions require Government agencies and their contractors to procure and use jewel bearings manufactured at the Langer Jewel Bearing Plant under certain specified conditions.

The additional capital investment in fiscal year 1983 of $396,000 is for jewel cutting and blank manufacturing machinery and conversion of the plant's heating system from oil to coal.

## General Management and Agency Operations

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $120,076,880 |
| 1983 budget estimate | 127,304,000 |
| House allowance | 120,000,000 |
| Committee recommendation | 120,000,000 |

The Committee recommends an appropriation of $120,000,000 for general management and agency operations.

This appropriation provides for policy direction and coordination of all GSA programs by the Administrator, his Deputy, 11 regional administrators, and congressional and external affairs; agencywide acquisition policy, planning, and coordination; and financing of administrative and financial services on a centralized and integrated basis for all GSA programs.

A substantial portion of the proposed reduction below the budget estimate should be taken in the agency's request for nonpersonnel, non-SLUC charges for inflation (−$1,052,000) and the request for the GSA's long-range plan for ADP requirements (−$1,927,000).

## Office of the Inspector General

| | |
|---|---|
| 1982 appropriation to date | $18,183,400 |
| 1983 budget estimate | 19.764,000 |
| House allowance | 19,500.000 |
| Committee recommendation | 18,500,000 |

The Committee recommends an appropriation of $18,500,000 for the Office of the Inspector General.

The Office of Inspector General (OIG) implements in its entirety the provisions of the Inspector General Act of 1978.

Prior to the establishment of the Office of Inspector General, the unique disciplines of auditing, investigations, and inspections were disparate by functional as well as organizational separation. The implementation of the Inspector General concept within the General Service Administration (GSA) provided the ability to organize these disciplines and activities as multidisciplinary, programmatic teams and task forced independent from the influence of services and staff offices. According to GSA testimony in the past, the limited staffing resources assigned to the Office of Audits have seriously curtailed audit programs. Many agency programs have not been audited on a recurring basis within acceptable audit timeframes and many contracts not audited at all, simply because manpower and resources were unavailable. The Inspector General believes that successful prevention of fraud, waste, and gross mismanagement within GSA requires that a visible, active, and effective audit posture be maintained. This audit posture must be capable of assessing internal management deficiencies, inadequate systems of control, and defective contracts and contracting procedures on a recurring basis. The cycle for conducting such audits, as well as to maintain an effective program of audit followup, should coincide insofar as possible with management planning schedules of the agency.

The Inspector General's Office consists of an Office of Audits, an Office of Investigations, an Office of Inspection, and an Office of Special Projects.

## ALLOWANCE AND OFFICE STAFF FOR FORMER PRESIDENTS

| | |
|---|---:|
| 1982 appropriation to date | $1,061,760 |
| 1983 budget estimate | 1,106,000 |
| House allowance | 1,106,000 |
| Committee recommendation | 1,106,000 |

The Committee recommends the budget request of $1,106,000 for allowances and office staff for former Presidents.

This appropriation provides for the pensions, office staffs, and related expenses for former Presidents Richard M. Nixon, Gerald R. Ford, and Jimmy Carter, and for pensions and postal franking privileges for the widows of former Presidents Harry S. Truman and Lyndon B. Johnson.

Below is listed a detailed breakdown of the fiscal year 1982 budget request:

FORMER PRESIDENTS, FISCAL YEAR 1983

| | Nixon | Ford | Carter | Widows | Total |
|---|---:|---:|---:|---:|---:|
| Personnel compensation | $96,000 | $96,000 | $150,000 | | $342,000 |
| Personnel benefits | 9,000 | 10,000 | 15,000 | | 34,000 |
| Pensions | 70,000 | 70,000 | 70,000 | $40,000 | 250,000 |
| Travel: People | 32,000 | 32,000 | 32,000 | | 96,000 |
| Rents, utilities, communications: | | | | | |
| Equipment depreciation | 10,000 | 3,000 | 3,000 | | 16,000 |
| Telephone, teletype | 22,000 | 32,000 | 32,000 | | 86,000 |
| Postage | 6,000 | 10,000 | 10,000 | 5,000 | 31,000 |
| SLUC | 73,000 | 57,000 | 58,000 | | 188,000 |
| Printing | 3,000 | 5,000 | 5,000 | | 13,000 |
| Other services: | | | | | |
| Commercial contracts, etc | 10,000 | 6,000 | 10,000 | | 26,000 |
| Supplies and materials | 8,000 | 9,000 | 7,000 | | 24,000 |
| Total appropriation | 339,000 | 330,000 | 392,000 | 45,000 | 1,106,000 |

The Committee directs the GSA to continue to carefully monitor the expenditures made under this account and to disallow all expenditures which are not consistent with the purposes of the appropriation.

No positions are funded directly by this appropriation.

## OFFICE OF PERSONNEL MANAGEMENT

### SALARIES AND EXPENSES

### APPROPRIATION

| | |
|---|---|
| 1982 appropriation to date | $104,519,040 |
| 1983 budget estimate | 102,618,000 |
| House allowance | 100,841,000 |
| Committee recommendation | 100,000,000 |

The Committee recommends a direct appropriation of $100,000,000 for the salaries and expenses of the Office of Personnel Management.

### LIMITATION

### (TRANSFER OF FUNDS)

| | |
|---|---|
| 1982 appropriation to date | ($43,641,000) |
| 1983 budget estimate | (44,652,000) |
| House allowance | (44,652,000) |
| Committee recommendation | (44,652,000) |

The Committee recommends a limitation of $44,652,000, the full amount of the fiscal year 1983 budget request and the House level.

These funds would be transferred from the appropriate trust funds of the Office of Personnel Management to cover administrative expenses for the retirement and insurance programs. Of the total amount recommended, $34,962,000 would be transferred from the civil service retirement and disability fund; $1,831,000 from the employees life insurance fund; $7,725,000 from the employees health benefits fund; and $134,000 from the retired employees health benefits fund.

The 1983 direct appropriation of $100,000,000 recommended by the Committee is to carry out the program responsibilities of the Office of Personnel Management. These responsibilities include working with Federal agencies to assure the efficient and effective implementation of Federal personnel laws and regulations, assisting State and local governments in improving their personnel management systems, and supporting a number of other functions assigned to the OPM by law or Executive order.

The reduction below the budget estimate should be applied by the Director of OPM to lower priority activities such as travel and other services.

The Office of Personnel Management is responsible for positive personnel management functions which include the following activities:

1. Staffing services. This activity consists of: (*a*) recruiting; (*b*) examining; (*c*) assuring suitability; and (*d*) developing classification standards.

2. Compensation. The OPM administers compensation and benefits programs for the Federal work force. These include: the civil service retirement and disability fund, the employees life insurance fund, and the retired employees health benefits fund.

3. Work force effectiveness and development. This activity includes: (*a*) Federal productivity program; (*b*) affirmative employment programs; (*c*) performance appraisal implementation; and (*d*) training assistance.

4. Agency relations. This activity includes: (*a*) personnel management evaluations; (*b*) agency classification reviews; and (*c*) work force information.

5. Executive personnel. This activity includes: (*a*) executive personnel oversight and guidance; (*b*) executive staffing and mobility; and (*c*) executive position management.

6. Labor-management relations. This activity consists of providing leadership in implementing the Federal Government's labor-management relations program.

7. Other programs. This activity includes: (*a*) administering the Voting Rights Act of 1965; (*b*) providing administrative support to the President's Commission on Executive Exchange and White House fellows; (*c*) carrying out provisions of the Ethics in Government Act of 1978; (*d*) evaluating the Civil Service Reform Act; (*e*) conducting research and demonstration projects; (*f*) supplying ADP services to external users on a reimbursable basis; and (*g*) providing executive direction and administrative support to OPM programs financed through other budgetary accounts on a reimbursable basis.

### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

| | |
|---|---|
| 1982 appropriation to date | $1,096,560,000 |
| 1983 budget estimate | 1,342,610,000 |
| House allowance | 1,342,610,000 |
| Committee recommendation | 1,342,610,000 |

The Committee recommends an appropriation of $1,342,610,000 for Government payments for annuitants, employees health benefits.

This appropriation funds the Government's share of health benefit costs for annuitants and survivors who no longer have an agency to contribute the Government's share. The Office of Personnel Management requests the appropriation necessary to pay this contribution to the Employees Health Benefits Fund and Retired Employees Health Benefits Fund. These trust revolving funds are available for: (1) the payment of subscription charges to approved carriers for the cost of health benefits protection; (2) contributions for qualified retired employees and survivors who carry private health insurance; and (3) the payment of expenses incurred by the Office of Personnel Management in the administration of these programs.

### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

| | |
|---|---|
| 1982 appropriation to date | $3,600,927,000 |
| 1983 budget estimate | 3,598,838,000 |
| House allowance | 3,598,838,000 |
| Committee recommendation | 3,598,838,000 |

The Committee recommends an appropriation of $3,598,838,000 for payment to the civil service retirement and disability fund.

The payment to the civil service retirement and disability fund includes the appropriation and the permanent indefinite authorization required to provide for the contribution of the Government's share of retirement costs.

The civil service retirement and disability fund was created to provide annuities for eligible employees who retire because of age and service or disability, and benefits to eligible survivors of employees who died in service or after retirement. In fiscal year 1983, membership in the civil service retirement system will consist of 2.7 million employees and about 1.9 million retired employees and survivors who will receive benefits totaling over $21,000,000,000 annually.

## MERIT SYSTEMS PROTECTION BOARD

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $17,035,680 |
| 1983 budget estimate | 19,760,000 |
| House allowance | 19,760,000 |
| Committee recommendation | 18,760,000 |

The Committee recommends an appropriation of $18,760,000 for the Merit Systems Protection Board.

### LIMITATION

### (TRANSFER OF FUNDS)

| | |
|---|---|
| 1982 appropriation to date | ($700,000) |
| 1983 budget estimate | (700,000) |
| House allowance | (700,000) |
| Committee recommendation | (700,000) |

The Committee recommends a limitation of $700,000, the full amount of the budget request

Created by reorganization plan No. 2 of 1978, the Merit Systems Protection Board assumed responsibility for the adjudicatory functions of the former Civil Service Commission. These functions include adverse action, reduction in force appeals and retirement and overpayment appeals for the civil service trust funds. In support of this appeals program, the Board will report to the President on whether merit systems are sufficiently free from prohibited personnel practices to protect the public interest.

The Merit Systems Protection Board is responsible for implementing the provisions of sections 1201 through 1209 of the Civil Service Reform Act of 1978.

Specifically, the major functions of the Board, as detailed in the Reform Act, are to (1) hear, adjudicate or provide for the hearing or adjudication of all matters within the jurisdiction of the Board; (2) order any Federal agency or employee to comply with any order or decision issued by the Board under its authority, and enforce compliance with any such order; (3) conduct, from time to time, special studies relating to the civil service and to other merit systems in the executive branch, and report to the President and to the Congress as to whether the public interest in a civil service free of prohibited personnel practices is being adequately protected; and (4) review, under its authority, rules and regulations of the Office of Personnel Management.

## OFFICE OF SPECIAL COUNSEL

| | |
|---|---|
| 1982 appropriation to date | $4,036,080 |
| 1983 budget estimate | 4,189,000 |
| House allowance | 4,030,000 |
| Committee recommendation | 4,000,000 |

The Committee recommends an appropriation of $4,000,000 for the Office of Special Counsel.

Reorganization Plan No. 2 of 1978 established the Office of the Special Counsel, Merit Systems Protection Board. The Special Counsel is empowered to investigate prohibited personnel practices in Federal agencies and political activities prohibited by the Hatch Act by Federal, State, and local employees and to administratively prosecute offending employees and agencies before the Board. The Special Counsel may also transmit "whistleblower" allegations to the agency head concerned and require an agency investigation and a report thereon to the Congress and the President when found appropriate.

## FEDERAL LABOR RELATIONS AUTHORITY

| | |
|---|---|
| 1982 appropriation to date | $14,848,200 |
| 1983 budget estimate | 15,745,000 |
| House allowance | 15,500,000 |
| Committee recommendation | 14,500,000 |

The Committee recommends an appropriation of $14,500,000 for the Federal Labor Relations Authority.

The purpose of the Authority is to serve as a neutral party in the settlement of disputes that arise between unions, employees, and agencies on matters outlined in the Federal Service Labor Management Relations Statute, and decide major policy issues, prescribe regulations, and disseminate information appropriate to the needs of agencies, labor organizations, and the public. Establishment of the Federal Labor Relations Authority gives full recognition to the role of the Federal Government as an employer.

1. Adjudication. The Authority adjudicates labor-management disputes in the Federal sector including: appeals on negotiability issues; exceptions to arbitration awards; appropriate units for the purposes of exclusive recognition; eligibility of labor organizations for national consultation rights and unfair labor practice complaints.

2. Hearings. This activity provides for holding hearings on unfair labor practice complaints, issuing reports, and making recommendations to the Authority on each case to allow timely settlement of disputes arising between agencies and unions.

3. Office of the General Counsel. As the investigative and prosecutional activity of the Authority, this function includes: supervision of elections to determine exclusive recognition and certification of results; investigation of questions of representation and unfair labor practice charges; and prosecution of unfair labor practice complaints, and review of appeals of dismissals of unfair labor practice charges.

The Committee was shocked to discover during the course of budget hearings that the members of the Federal Labor Relations Authority spent in excess of $150,000 for furnishings and redecoration of members' offices. This amount was used to purchase expensive desks, credenzas, and even patio furniture for three offices at a time when their storerooms contained a number of these items already on-hand and unopened in cartons. The Committee has contained a general provision in this bill to address this type of wasteful spending by top Government officials. The Committee expects redecoration or refurnishing projects of this nature to cover the Authority and its members. It is not the intention of the Committee to allow any of the funds appropriated in this bill to be used by the Authority for redecorating of members' offices in fiscal year 1983.

## UNITED STATES TAX COURT

### SALARIES AND EXPENSES

| | |
|---|---|
| 1982 appropriation to date | $12,471,000 |
| 1983 budget estimate | 15,083,000 |
| House allowance | 14,000,000 |
| Committee recommendation | 14,000,000 |

The Committee recommends an appropriation of $14,000,000 for the U.S. Tax Court

The U.S. Tax Court is an independent judicial body, the membership of which is composed of a chief judge and 18 judges. The Tax Reform Act of 1969 changed the status of the Court from an independent agency in the executive branch to a court of record under article I of the Constitution of the United States.

Decisions by the Court are reviewable by the U.S. courts of appeals and, if certiorari is granted, by the Supreme Court.

In their judicial duties the judges are assisted by senior judges, who participate in the adjudication of regular cases assigned to them by the chief judge. During fiscal year 1982, 5 senior judges and 13 special trial judges will be serving on the Court.

The Court conducts trial sessions throughout the United States, including Hawaii and Alaska.

## STATEMENT CONCERNING GENERAL PROVISIONS

This bill carries a number of general provisions, some of which are routine and have been carried for a number of years, and some are proposed for the first time this year.

Those general provisions that deal with a single agency only are shown immediately following that agency's appropriation in the accompanying bill. Others that deal with all of the agencies provided for in this bill are shown under title V, and those general provisions that are Government-wide in scope are shown under title VI of the accompanying bill.

The Committee has continued all the general provisions contained in the 1980 Appropriations Act except the Sense of the Congress Resolution about the proceeds of the sale of former President Nixon's San Clemente residence.

In fiscal years 1981 and 1982 there was no separate Treasury, Postal Service and General Government Appropriation Act. Funding was provided under a series of continuing resolutions. In these resolutions, the general provisions carried in the 1980 Appropriation Act (Public Law 96–74) were continued in fiscal year 1981.

## TITLE V—GENERAL PROVISIONS

### THIS ACT

The Committee has recommended one change in title V, General Provisions—This Act, from the provisions recomended in the House bill.

Section 508. Merely protects the domestic producers of stainless steel flatware. This provision has been included in the Treasury bill for at least the past 10 years.

## TITLE VI—GENERAL PROVISIONS

### DEPARTMENTS, AGENCIES, AND CORPORATIONS

The Committee has recommended the following changes in title VI, general provisions, as contained in the House bill.

Section 612. The Committee has deleted this section in the House-passed bill.

Section 614. The Committee has deleted this section in the House bill that would limit employment of personal aides by Government employees.

Section 617. The Committee has included a title VI general provision pertaining to enhancing Secret Service protective authority.

Section 618. The Committee has included a restriction on renovation and redecorating of Government offices.

Section 619. The Committee has included a provision directing improvements and savings in the operation and maintenance of the Federal motor vehicle fleet.

Section 620. The Committee has included language that would clarify the deductibility of the Arizona Privilege Transaction Tax.

Section 621. The Committee has included language that would prohibit the use of appropriated funds to transport Government officials, other than Cabinet officers, ambassadors, and other principal diplomats, between his domicile and his place of employment.

Section 622. The Committee has included language that reduces the amount of funding for consultant services for the executive branch of Government by $320,000,000 in fiscal year 1983.

## LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions, not heretofore carried in this exact form in connection with any appropriations bill, are recommended:

### COMPLIANCE WITH PARAGRAPH 7 OF RULE XVI OF THE STANDING RULES OF THE SENATE

The Committee submits the following statement in compliance with paragraph 7 of rule XVI of the Standing Rules of the Senate, which requires the Committee to identify "each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The bill provides, in some instances, for funding of agencies and activities where legislation has not yet been finalized (U.S. Customs Service, Federal Election Commission, and National Historical Publications and Records Commission). The Committee has included appropriations for alterations and repairs for the Bureau of the Mint, GSA construction, and other activities.

## BUDGETARY IMPACT OF BILL

PREPARED BY THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93-344

[In millions of dollars]

| | Budget authority | | Outlays | |
|---|---|---|---|---|
| | Committee allocation | Amount in bill | Committee allocation | Amount in bill |
| Comparison of amounts in the bill with the Committee allocation to its subcommittees of amounts in the First Concurrent Resolution for 1983: Subcommittee on Treasury, Postal Service | 10,700 | 10,527 | 10,400 | [1] 10,283 |
| Projections of outlays associated with budget authority recommended in the bill: | | | | |
| 1983 | | | | [2] 9,949 |
| 1984 | | | | 503 |
| 1985 | | | | 26 |
| 1986 | | | | 2 |
| 1987 and future year | | | | 1 |
| Financial assistance to State and local governments for 1983 in the bill | | | | |

---

[1] Includes outlays from prior-year budget authority.

[2] Excludes outlays from prior-year budget authority.

## COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983

[Amounts in dollars]

| Item (1) | 1982 Appropriation (2) | Budget estimate (3) | House allowance (4) | Committee recommendation (5) | Senate committee recommendation compared with (+ or −): 1982 Appropriation (6) | Budget estimate (7) | House allowance (8) |
|---|---|---|---|---|---|---|---|
| TITLE I - DEPARTMENT OF THE TREASURY | | | | | | | |
| Office of the Secretary.............................. | 35,393,840 | 59,752,000 | 37,000,000 | 37,000,000 | +1,606,160 | -22,752,000 | --- |
| International affairs................................ | 20,335,040 | --- | 22,000,000 | 20,000,000 | -335,040 | +20,000,000 | -2,000,000 |
| Federal Law Enforcement Training Center............... | 12,318,360 | 12,913,000 | 12,500,000 | 12,913,000 | +594,640 | --- | +413,000 |
| Bureau of Government Financial Operations: | | | | | | | |
| Salaries and expenses............................ | 231,864,960 | 183,267,000 | 248,000,000 | 180,096,000 | -51,768,960 | -3,171,000 | -67,904,000 |
| Postal savings system liquidation................ | 200,000 | --- | --- | --- | -200,000 | --- | --- |
| Payment to the city of Fairfax, Virginia.......... | 41,959 | --- | --- | --- | -41,959 | --- | --- |
| Payments to the Governments of Guam, Virgin Islands and American Samoa...................... | --- | --- | --- | --- | --- | --- | --- |
| Total, Bureau of Government Financial Operations | 232,106,919 | 183,267,000 | 248,000,000 | 180,096,000 | -52,010,919 | -3,171,000 | -67,904,000 |
| Bureau of Alcohol, Tobacco, and Firearms.............. | 142,164,080 | --- | 145,000,000 | 148,000,000 | +5,835,920 | +148,000,000 | +3,000,000 |
| United States Customs Service......................... | 527,183,000 | 530,524,000 | 514,700,000 | 537,000,000 | +9,817,000 | +6,476,000 | +22,300,000 |
| Bureau of the Mint: | | | | | | | |
| Salaries and expenses............................ | 47,489,360 | 50,165,000 | 50,000,000 | 48,000,000 | +510,640 | -2,165,000 | -2,000,000 |
| Expansions and improvements....................... | 3,968,640 | 5,200,000 | 5,200,000 | 5,200,000 | +1,231,360 | --- | --- |
| Total, Bureau of the Mint......................... | 51,458,000 | 55,365,000 | 55,200,000 | 53,200,000 | +1,742,000 | -2,165,000 | -2,000,000 |

BEST AVAILABLE COPY

## COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

| | | | | | Senate committee recommendation compared with (+ or −) | | |
|---|---|---|---|---|---|---|---|
| Item (1) | 1982 Appropriation (2) | Budget estimate (3) | House allowance (4) | Committee recommendation (5) | 1982 Appropriation (6) | Budget estimate (7) | House allowance (8) |
| Bureau of the Public Debt | 178,234,000 | 210,045,000 | 209,000,000 | 201,000,000 | +22,766,000 | -9,045,000 | -8,000,000 |
| Internal Revenue Service: | | | | | | | |
| Salaries and expenses | 164,376,000 | 171,102,000 | 170,510,000 | 160,000,000 | -4,376,000 | -11,102,000 | -10,510,000 |
| (By transfer) | --- | --- | --- | --- | --- | --- | --- |
| Taxpayer service and returns processing | 910,462,000 | 957,679,000 | 1,000,778,000 | 967,000,000 | +56,538,000 | +9,321,000 | -33,778,000 |
| Examinations and appeals | 952,222,000 | 1,016,634,000 | 1,009,409,000 | 1,000,000,000 | +47,778,000 | -16,634,000 | -9,409,000 |
| Investigations and collections | 644,866,000 | 771,744,000 | 767,493,000 | 771,000,000 | +126,134,000 | -744,000 | +3,507,000 |
| Total, Internal Revenue Service | 2,671,926,000 | 2,917,159,000 | 2,948,190,000 | 2,898,000,000 | +226,074,000 | -19,159,000 | -50,190,000 |
| Payment where energy credit exceeds liability for tax | 440,000 | 300,000 | 300,000 | 300,000 | -140,000 | --- | --- |
| United States Secret Service | 195,477,000 | 301,882,000 | 220,000,000 | 235,000,000 | +39,523,000 | -66,882,000 | +15,000,000 |
| Total, title I, new budget (obligational) authority, Department of the Treasury | 4,067,036,239 | 4,271,207,000 | 4,411,890,000 | 4,322,509,000 | +255,472,761 | +51,302,000 | -89,381,000 |
| TITLE II - UNITED STATES POSTAL SERVICE | | | | | | | |
| Payment to the Postal Service Fund | 706,810,400 | 500,000,000 | 708,000,000 | 708,000,000 | +1,189,600 | +208,000,000 | --- |

## TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Compensation of the President.......................... | 250,000 | 250,000 | 250,000 | 250,000 | --- | --- | --- |
| Office of Administration.............................. | 11,911,660 | 13,640,000 | 12,500,000 | 12,906,000 | +994,340 | -734,000 | +406,000 |
| The White House Office................................ | 19,652,440 | 22,164,000 | 21,300,000 | 21,300,000 | +1,647,560 | -864,000 | --- |
| Executive Residence at the White House................ | 3,650,020 | 3,878,000 | 3,800,000 | 3,800,000 | +149,980 | -78,000 | --- |
| Official Residence of the Vice President.............. | 177,600 | 281,000 | 275,000 | 275,000 | +97,400 | -6,000 | --- |
| Special Assistance to the President................... | 1,433,440 | 1,483,000 | 1,475,000 | 1,475,000 | +41,560 | -8,000 | --- |
| Council of Economic Advisers.......................... | 1,985,420 | 2,115,000 | 2,100,000 | 2,100,000 | +114,580 | -15,000 | --- |
| Council on Wage and Price Stability................... | --- | --- | --- | --- | --- | --- | --- |
| Office of Policy Development.......................... | 2,603,900 | 2,653,000 | 2,600,000 | 2,600,000 | -3,900 | -53,000 | --- |
| National Security Council............................. | 3,556,540 | 3,976,000 | 3,900,000 | 3,900,000 | +343,460 | -76,000 | --- |
| Office of Management and Budget....................... | 33,521,580 | 36,109,000 | 33,000,000 | 33,000,000 | -521,580 | -3,109,000 | --- |
| Office of Federal Procurement Policy.................. | 2,428,840 | 2,486,000 | 2,400,000 | 2,400,000 | -28,840 | -86,000 | --- |
| Property review board................................. | --- | 445,000 | 445,000 | 445,000 | +445,000 | --- | --- |
| Unanticipated Needs................................... | 844,800 | 1,000,000 | 1,000,000 | 1,000,000 | +155,200 | --- | --- |
| Total, title III, new budget (obligational) authority, Executive Office of the President.................................... | 82,016,240 | 90,480,000 | 85,045,000 | 85,451,000 | +3,434,760 | -5,029,000 | +406,000 |

## TITLE IV - INDEPENDENT AGENCIES

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Administrative Conference of the United States........ | 1,103,200 | 1,339,000 | 1,100,000 | 1,100,000 | -3,200 | -239,000 | --- |
| Advisory Commission on Intergovernmental Relations.... | 1,762,960 | 1,920,000 | 1,900,000 | 1,900,000 | +137,040 | -20,000 | --- |
| Advisory Committee on Federal Pay..................... | 184,320 | 204,000 | 200,000 | 200,000 | +15,680 | -4,000 | --- |
| Commission on Executive, Legislative, and Judicial Salaries: Salaries and expenses..................... | --- | --- | --- | --- | --- | --- | --- |
| Committee for Purchase from the Blind and Other Severely Handicapped.......................... | 543,160 | 653,000 | 653,000 | 653,000 | +109,840 | --- | --- |
| Federal Election Commission........................... | 9,174,400 | 9,880,000 | 9,700,000 | 9,700,000 | +525,600 | -180,000 | --- |
| Funds Appropriated to the President: | | | | | | | |
| Contributions to international buffer stocks...... | --- | --- | --- | --- | --- | --- | --- |

## COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

| Item (1) | 1982 Appropriation (2) | Budget estimate (3) | House allowance (4) | Committee recommendation (5) | Senate committee recommendation compared with (+ or −) | | |
|---|---|---|---|---|---|---|---|
| | | | | | 1982 Appropriation (6) | Budget estimate (7) | House allowance (8) |
| General Services Administration: | | | | | | | |
| Federal Buildings Fund: | | | | | | | |
| Limitation on availability of revenue: | | | | | | | |
| Construction and acquisition of facilities | (71,492,000) | (68,415,000) | (67,915,000) | (56,303,000) | (-15,189,000) | (-12,112,000) | (-11,612,000) |
| Repairs and alterations.................. | (198,581,000) | (257,400,000) | (224,439,300) | (203,032,000) | (+4,451,000) | (-54,368,000) | (-21,407,300) |
| Purchase contract payments................ | (161,725,000) | (159,971,000) | (159,971,000) | (159,971,000) | (-1,754,000) | --- | --- |
| Rental of space.......................... | (722,439,000) | (770,000,000) | (770,000,000) | (722,439,000) | --- | (-47,561,000) | (-47,561,000) |
| Real property operations.................. | (626,346,000) | (676,524,000) | (676,524,000) | (626,346,000) | --- | (-50,178,000) | (-50,178,000) |
| Program direction......................... | (91,607,000) | (95,791,000) | (95,791,000) | (91,607,000) | --- | (-4,184,000) | (-4,184,000) |
| Associated outlays........................ | --- | --- | --- | --- | --- | --- | --- |
| Total, Federal Buildings Fund: | | | | | | | |
| New budget (obligational) authority... | --- | --- | --- | --- | --- | --- | --- |
| [illegible]mitations)......................... | (1,872,190,000) | (2,028,101,000) | (1,994,640,300) | (1,859,698,000) | (-12,492,000) | (-168,403,000) | (-134,942,300) |
| Operating expenses, personal property............. | --- | 91,731,000 | --- | --- | --- | -91,731,000 | --- |
| Federal Supply Service: | | | | | | | |
| Operating expenses........................... | 118,256,000 | --- | 135,142,000 | 135,142,000 | +16,886,000 | +135,142,000 | --- |
| (By transfer)................................ | --- | --- | --- | --- | --- | --- | --- |
| General supply fund............................ | --- | 15,000,000 | --- | --- | --- | -15,000,000 | --- |
| Transportation and Publ.. Utilities Service: | | | | | | | |
| Operating expenses........................... | 15,170,360 | --- | 16,330,000 | 16,330,000 | +1,159,640 | +16,330,000 | --- |
| National Archives and Records Service: | | | | | | | |
| Operating Expenses........................... | 81,903,240 | 85,293,000 | 87,644,000 | 86,000,000 | +4,096,760 | +707,000 | -1,644,000 |
| (By transfer)................................ | --- | --- | --- | --- | --- | --- | --- |

|  |  |  |  |  |  |  |  |
|---|---|---|---|---|---|---|---|
| **Automated Data and Telecommunication Service:** |  |  |  |  |  |  |  |
| Operating Expenses............................ | 11,807,360 | --- | 27,663,000 | 27,663,000 | +15,855,640 | +27,663,000 | --- |
| Federal telecommunications fund................ | --- | --- | --- | --- | --- | --- | --- |
| **Federal Property Resources Service:** |  |  |  |  |  |  |  |
| Operating expenses............................ | 40,569,680 | 52,694,000 | 50,000,000 | 50,000,000 | +9,430,320 | -2,694,000 | --- |
| (By transfer).............................. | (501,000) | --- | --- | --- | (-501,000) | --- | --- |
| National defense stockpile transaction fund... | 57,600,000 | 120,000,000 | --- | 320,000,000 | +262,400,000 | +200,000,000 | +320,000,000 |
| (Limitation on availability of revenue)....... | --- | --- | (120,000,000) | --- | --- | --- | (-120,000,000) |
| William Langer Jewel bearing plant revolving fund...................................... | --- | 396,000 | 39[illegible] | 396,000 | +396,000 | --- | --- |
| Total, Federal Property Resources Activities | 98,169,680 | 173,090,000 | 50,396,000 | 370,396,000 | +272,226,320 | +197,306,000 | +320,000,000 |
| **General Activities:** |  |  |  |  |  |  |  |
| General Management and Agency Operations, Salaries and Expenses....................... | 120,076,880 | 127,304,000 | 120,000,000 | 120,000,000 | -76,880 | -7,304,000 | --- |
| Office of the Inspector General............... | 18,183,400 | 19,764,000 | 19,500,000 | 18,500,000 | +316,600 | -1,264,000 | -1,000,000 |
| Allowances and Office Staff for Former Presidents................................ | 1,061,760 | 1,106,000 | 1,106,000 | 1,106,000 | +44,240 | --- | --- |
| Economic Opportunity Act close-out activities. | 12,000,000 | --- | --- | --- | -12,000,000 | --- | --- |
| Expenses, presidential transition............. | --- | --- | --- | --- | --- | --- | --- |
| Working capital funds......................... | --- | --- | --- | --- | --- | --- | --- |
| Total, General Activities.................... | 151,322,040 | 148,174,000 | 140,606,000 | 139,606,000 | -11,716,040 | -8,568,000 | -1,000,000 |
| Total, General Services Administration...... | 476,628,680 | 513,288,000 | 457,781,000 | 775,137,000 | +298,508,320 | +261,849,000 | +317,356,000 |

## COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1982 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1983—Continued

[Amounts in dollars]

| Item | 1982 Appropriation | Budget estimate | House allowance | Committee recommendation | Senate committee recommendation compared with (+ or −) | | |
|---|---|---|---|---|---|---|---|
| | | | | | 1982 Appropriation | Budget estimate | House allowance |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Federal Personnel Activities | | | | | | | |
| Office of Personnel Management: | | | | | | | |
| Salaries and expenses: | | | | | | | |
| Appropriation | 104,519,040 | 102,618,000 | 100,841,000 | 100,000,000 | -4,519,040 | -2,618,000 | -841,000 |
| (By transfer from trust funds) | (1,606,000) | --- | --- | --- | (-1,606,000) | --- | --- |
| Limitation | (43,641,000) | (44,652,000) | (44,652,000) | (44,652,000) | (+1,011,000) | --- | --- |
| Government payment for annuitants, employees health benefits | 1,096,560,000 | 1,342,610,000 | 1,342,610,000 | 1,342,610,000 | +246,050,000 | --- | --- |
| Payment to civil service retirement and disability fund | 3,600,927,000 | 3,598,838,000 | 3,598,838,000 | 3,598,838,000 | -2,089,000 | --- | --- |
| Intergovernmental personnel assistance | --- | --- | --- | --- | --- | --- | --- |
| Revolving fund | --- | --- | --- | --- | --- | --- | --- |
| Total, Office of Personnel Management | 4,802,006,040 | 5,044,066,000 | 5,042,289,000 | 5,041,448,000 | +239,441,960 | -2,618,000 | -841,000 |
| Merit Systems Protection Board: | | | | | | | |
| Salaries and expenses | 17,035,680 | 19,760,000 | 19,760,000 | 18,760,000 | +1,724,320 | -1,000,000 | -1,000,000 |
| (By transfer) | --- | --- | --- | --- | --- | --- | --- |
| Limitation | (700,000) | (700,000) | (700,000) | (700,000) | --- | --- | --- |
| Office of special counsel | 4,036,080 | 4,189,000 | 4,030,000 | 4,000,000 | -36,080 | -189,000 | -30,000 |
| Total, Merit Systems Protection Board | 21,071,760 | 23,949,000 | 23,790,000 | 22,760,000 | +1,688,240 | -1,189,000 | -1,030,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Federal Labor Relations Authority...................... | 14,848,200 | 15,745,000 | 15,500,000 | 14,500,000 | -348,200 | -1,245,000 | -1,000,000 |
| Total, federal personnel activities............. | 4,837,926,000 | 5,083,760,000 | 5,081,579,000 | 5,078,708,000 | +240,782,000 | -5,052,000 | -2,871,000 |
| United States Tax Court: Salaries and Expenses........ | 12,471,000 | 15,083,000 | 14,000,000 | 14,000,000 | +1,529,000 | -1,083,000 | --- |
| Total, title IV, new budget (obligational) authority, independent agencies........... | 5,339,793,720 | 5,626,127,000 | 5,566,913,000 | 5,881,398,000 | +541,604,280 | +255,271,000 | +314,485,000 |
| TITLE VI - GENERAL PROVISIONS | | | | | | | |
| Departments, Agencies, and Corporations | | | | | | | |
| Administrative Savings................................ | --- | --- | --- | -470,000,000 | -470,000,000 | -470,000,000 | -470,000,000 |
| Grand total, titles I, II, III, IV, and VI: | | | | | | | |
| New budget (obligational) authority....... | 10,195,656,599 | 10,487,814,000 | 10,771,848,000 | 10,527,358,000 | +331,701,401 | +39,544,000 | -244,490,000 |
| Appropriations............................ | (10,195,656,599) | (10,487,814,000) | (10,771,848,000) | (10,527,358,000) | (+331,701,401) | (+39,544,000) | (-244,490,000) |
| Rescission................................ | --- | --- | --- | --- | --- | --- | --- |
| (By transfer)............................. | (501,000) | --- | --- | --- | (-501,000) | --- | --- |
| (Limitations)............................. | (1,916,531,000) | (2,073,453,000) | (2,159,992,300) | (1,905,050,000) | (-11,481,000) | (-168,403,000) | (-254,942,300) |